



Daily Report

China

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General

Murayama Returns Home From South East Asian Tour

OW3008141794 Beijing XINHUA in English 1252
GMT 30 Aug 94

[Text] Tokyo, August 30 (XINHUA)—Japanese Prime Minister Tomiichi Murayama returned home today from his official eight-day tour of four Southeast Asian countries—The Philippines, Vietnam, Malaysia and Singapore.

Murayama's trip was aimed at building a relationship of confidence between Japan and its Asian neighboring nations, which suffered under Japan's militarist heels during World War II.

The Asian tour was his third overseas trip since the premier took office in late June following July visits to Naples to attend the annual Group of Seven summit and Seoul for talks with South Korean President Kim Yongsam.

UN To Set Up Trade Center in Shanghai

OW3008161394 Beijing XINHUA in English 1551
GMT 30 Aug 94

[Text] Shanghai, August 30 (XINHUA)—The United Nations trade network is to open a center in this, China's biggest economic metropolis September 1, the Shanghai Foreign Trade Commission said today.

The Shanghai center of the network will help increase trade opportunities and efficiency by means of electronic exchanges with the outside world, Miao Gengshu, an official of the commission, said.

In 1992 the UN decided to establish a global trade network and chose 19 international metropolises, including Shanghai, as the first members of the network.

The Shanghai center will include all the governmental administration bodies involved in foreign trade management, as well as banks and insurance companies.

Traders will be able to obtain market information from the network and complete their trading at the center, Miao said.

The center is expected to help shorten the duration of usual administrative procedures and reduce the costs born by traders.

Businesses in Shanghai may increase their competitiveness in the world market by taking advantage of the center, Miao said, adding that it will be conducive to building up Shanghai's image as a major global trade and financial center.

ADB International Finance Seminar Opens in Shanghai

OW3008153294 Beijing XINHUA in English 1519
GMT 30 Aug 94

[Text] Shanghai, August 30 (XINHUA)—The Asian Development Bank's (ADB) fourth seminar on international finance opened here today.

The seminar will address various topics related to the management of international finance in developing countries, said Jungsoo Lee, assistant chief economist with the Economics and Development Resources Center of the ADB.

These topics include international financial markets, foreign resources flows in the Asian and Pacific region, foreign debt management policy, management of international reserves and reform of foreign exchange administrative systems.

Lee said that the seminar is an important part of the ADB's international conference. The previous three seminars were held in Seoul, Jakarta and New Delhi, respectively.

Delegates from 18 Asian member countries and regions are taking part in the three-day seminar.

World Bank Experts Survey Gansu

OW3008160294 Beijing XINHUA in English 1527
GMT 30 Aug 94

[Text] Lanzhou, August 30 (XINHUA)—A group of 13 experts from the World Bank have arrived in Gansu Province in northwest China to make a survey of irrigation and evacuation projects.

They will investigate the province's economy, water conservancy, geology, environment and population. This is the 11th time that the World Bank has dispatched experts to study the projects along the Shule River.

A total of 2.33 billion yuan (about 270.9 million U.S. dollars) will be invested in this biggest batch of comprehensive agricultural development projects in the province.

Earlier this year the projects were put into the bank's 1996 fiscal year loan agenda, and the bank will offer 150 million U.S. dollars in loans, 56 percent of the total investment.

In the coming 10 years there will be more than 53,300 ha of newly irrigated farmland in the Shule River valley, and 43,600 ha of farmland will be upgraded.

In addition, some 200,000 people from drought-stricken areas in central Gansu and inhospitable areas in southern Gansu will be evacuated to other locations.

United States & Canada

XINHUA Reports on Brown's News Conference

Sums Up Visit

OW3008142194 Beijing XINHUA in English 1409
GMT 30 Aug 94

[Text] Beijing, August 30 (XINHUA)—U.S. Secretary of Commerce Ron Brown said here today before his departure that his visit to Beijing had "surpassed expectations."

Brown told a press conference that he was "exhilarated by the results of the first two and a half days in Beijing.

"We came with high expectations about our ability to have a profound and positive impact on bilateral relations between China and U.S. and we have met and have surpassed those expectations."

The results indicated that "commercial engagements with China could produce positive results over whole scope of our bilateral relationship," he said.

Over the past two days Brown had meetings with Chinese President Jiang Zemin, Premier Li Peng and Foreign Trade Minister Wu Yi.

Yesterday Brown and Wu Yi signed an agreement on the framework for co-operation under the Business Development Working Group of the U.S.-China Joint Committee on Commerce and Trade (JCCT). Some government departments of the two countries also signed a dozen bilateral agreements, letters of intent and memorandums of understanding relating to co-operation in many fields.

Brown said that the signing of these documents "will take our dialogue to a new level," and lay the basis for "ushering in a new era for bilateral relations."

Answering questions about China's re-entry to the General Agreement on Tariffs and Trade (GATT), Brown said bilateral talks have been going on "constructively" and "continue to make progress".

He reiterated that the U.S. supports China's re-entry to GATT. On the other hand, on the issue of Taiwan's entry to GATT, the secretary said the U.S. has a "one China" policy and such a policy is expected to remain unchanged.

Brown told the press conference that China and the U.S. have decided to resume talks on the human rights issue very soon.

"... [ellipses as received] history has taught us that it is dialogue that is important," and only through dialogue can progress be made and differences overcome, he said.

Before giving the press conference, Brown spoke at a luncheon of a business managers' forum jointly held by the U.S.-China Business Council and the Chinese Enterprise Management Association.

He told the Chinese and American businessmen present that individual economies, as parts of the world economy, are increasingly becoming tied together.

"China's importance, strategically and economically, demands that we construct a more comprehensive relationship," he said. He added that China "stands out" among Asian economies.

According to Brown, U.S. exports to China are increasing at four times the rate of U.S. exports to the rest of the world. In the first five months of this year,

sales to China were up 12 percent over the same period of 1993, and 150,000 Americans earned their living last year by exporting over eight billion dollars-worth of merchandise to China.

He said he expected that such figures could further increase as China expands its infrastructure, including telecommunications, transportation and financial systems.

Today Brown was also present at the signing ceremony for a co-operation agreement between China's Bureau of Telecommunications and the Sprint Company of the U.S.

According to the agreement, Sprint is to provide information services to Chinese customers through a global network called Internet.

Brown and his party were scheduled to leave for Shanghai, Guangzhou and Hong Kong.

The secretary said the rest of his visit has a "similar agenda," which is to discuss economic and trade co-operation.

Jiang Zemin Comments on Meetings

HK3108044094 Beijing CHINA DAILY in English 31 Aug 94 p 1

[By Wang Yong: "Jiang: Promote Sino-U.S. Cooperation"]

[Text] The United States and China have a unique opportunity to bring their relations into a new era, President Jiang Zemin said yesterday in Beijing.

"Challenges and opportunities lie in front of us, and both of us have a responsibility to promote co-operation," he said during a meeting with U.S. Commerce Secretary Ron Brown at the Diaoyutai State Guesthouse.

Jiang said there is no reason for the two nations to confront each other.

"We should make great efforts to steer bilateral ties towards a new phase," he said.

Any evaluation of Sino-U.S. relations should be made with the global situation in mind. "And we should look far into the 21st century (when deciding the direction of our relations)," he pointed out.

"China has embarked on a phase of sustained, fast and healthy economic development.

"In the next century, a politically stable and economically developing China will become an important factor in maintaining world peace and development," Jiang said.

He appreciated Brown's role in pushing forward bilateral economic and trade relations.

"We appreciate President Clinton's wise decision (to renew China's most favoured-nation status and to delink it with human rights). It is in the common interest of both peoples," he said.

"As we vary in social systems, ideologies, culture and economic development levels, it's no surprise to see our two countries taking different stances on certain issues," he said. "But what is important is equality in the course of resolving any dispute."

Jiang cited a Chinese saying that the two nations should "seek common ground while reserving differences."

He said bilateral relations should be enhanced on the basis of the three joint communiques signed between the two countries.

Prior to the talk with Jiang, Brown met Premier Li Peng, foreign trade minister Wu Yi and other government officials.

Brown is leading a U.S. presidential mission on a week-long visit to China which ends this weekend.

At a news conference in Beijing yesterday, Brown described China as an emerging economic market where U.S. enterprises are keen to compete and win.

He also said he has clinched \$5 billion worth of trade deals for U.S. companies in China.

Brown said U.S. exports to China are growing four times as fast as that of other countries.

While concrete business contracts or memorandums of understanding are important, an eye should be kept on the long-term benefits, he said.

He said the U.S. is not only seeking to expand bilateral economic ties, but also co-operation across the board.

And he reasserted that the U.S. intends to stick to the "One China" policy.

Brown Delegation Member Comments

OW3108075494 Beijing XINHUA in English 0623
GMT 31 Aug 94

[Text] Beijing, August 31 (XINHUA)—AST Research Inc., the third largest personal computer manufacturer in the United States, has been most successful in the bustling Chinese personal computer market, said Safi Qureshey, president and chief executive officer of the American firm.

According to the American businessman, who is accompanying U.S. Commerce Secretary Ron Brown on a current visit to China, AST is striving to take at least 50 percent of the Chinese market of educational and family computers in the near future.

Last year, China sold 450,000 personal computers and 140,000 of them were made by AST. It is expected that China will sell 650,000 personal computers this year.

"AST will increase its sales of personal computers in China substantially this year," said Safi Qureshey, but declining to disclose its sales target.

AST invested 16 million U.S. dollars and set up a large joint venture making computers in Tianjin last September. "The joint venture will produce 100,000 personal computers this year and 300,000 personal computers next year," he said.

"As a very productive and emerging market of personal computers, China is expected to become the largest market of such computers in the world," the American businessman said.

According to Safi Qureshey, he has met senior officials from the Ministry of Electronics and the State Commission of Education during his visit in Beijing this week.

"Chinese Government leaders and businessmen have realized that it's very crucial for China to develop, acquire and benefit from information technology," he said. "And they have agreed that information technology is a crucial element for China to develop into the 21st century."

As a major step to promote information technology in China, AST started early this year an educational and family computer promotion plan which is expected to take half of the Chinese market eventually.

XINHUA Notes U.S. Ultimatum to Haiti

OW3108020394 Beijing XINHUA in English 0127
GMT 31 Aug 94

[Text] Havana, August 30 (XINHUA)—A 10,000-strong multinational force led by the United States will invade Haiti if the Haitian military rulers do not relinquish power, U.S. officials warned today in Kingston, capital of Jamaica.

U.S. Deputy Secretary of State Strobe Talbott and Deputy Secretary of Defense John Deutch made the warning after the United Nations failed to make contacts with the ruling military of the Caribbean country last weekend.

According to information from the capital of Jamaica, the warning of the United States was interpreted by observers as an ultimatum of the White House to the Haitian military in power, although one of the American officials said that "we are not there yet, but are moving rapidly towards that goal."

In Kingston, the two high U.S. officials have held talks with leaders of the Anglo-Caribbean Community (Caricom) about the Haitian crisis.

According to reports, the seven countries of the Caribbean block, Barbados, Trinidad and Tobago, Antigua, Bahamas, Guyana, Jamaica and Belize, will cooperate with the troops in an international coalition led by Washington to tumble the Haitian military in power.

Official Denies Chrysler Link With Prison Labor*HK3108060094 Hong Kong EASTERN EXPRESS in English 31 Aug 94 p 8*

[Text] The head of the Beijing Automotive Industry Corporation (BAIC), the government body in charge of the capital's car industry, denied yesterday any connection between the U.S. car manufacturer Chrysler and China's reform-through-labour camps.

A series of articles in Eastern Express last week detailed production ties between BAIC, a subsidiary of which makes the Beijing Jeep in a venture with Chrysler, and New Face Vehicle Refit Factory, a labour camp employing thousands of convicts.

"Reading the report made me very angry," Ma Shouping, BAIC's president, said. "It was sheer fabrication. Beijing Jeep has no relation whatsoever to prison labour ... We don't buy products from prison camps, but we have no way of knowing whether they buy parts from us," Ma said.

Last week, Ma stated that "any enterprise (in the BAIC group) can order products from the reform-through-labour camps ... I can't say specifically where the products made by the camps go, but they are distributed inside the (BAIC) system". In the same interview, Ma confirmed the existence of production relations between BAIC and New Face, which he described as a "co-operation agreement for the provision of parts and accessories".

The president of Chrysler Corp, Robert Eaton, is one of the U.S. executives accompanying the Commerce Secretary, Ron Brown, in Beijing. After initially denying the reports, a Chrysler spokesman last Friday said the company would broaden its investigation "to ensure that not only Beijing Jeep Corporation but also suppliers doing business with our share-holding partner ... are not involved in prison labour."

XINHUA Correction to Trade Minister Meets Brown*OW2908120394*

Beijing XINHUA Domestic Service in Chinese supplies the following correction to the item headlined "Trade Minister Meets Brown," published in the 29 August China DAILY REPORT, page 9:

Column one, Paragraph four, penultimate sentence make read ...on developing countries. China will not pay any price [bu xi yi qie dai jia 0008 1917 0001 0434 0108 0116] for its readmission to GATT. In addition, China ... (rewording, shortening vernacular and STC's)

Central Eurasia**XINHUA 'Roundup' on Sino-Russian Relations***OW3008145094 Beijing XINHUA in English 1429 GMT 30 Aug 94*

["Roundup" by Huang Huizhu: "Sino-Russian Relations Grow Steadily"]

[Text] Moscow August 30 (XINHUA)—Chinese President Jiang Zemin's upcoming official visit to Russia will undoubtedly be another great event in the history of Sino-Russian relations, as he and his counterpart President Boris Yeltsin will explore how to chart the future of bilateral ties with the next century in perspective.

Jiang's trip will be a return visit as a head of state. In December 1992, President Yeltsin visited China. Since then, relations between the two countries have been growing rapidly, healthily and steadily in political, economic, cultural and other fields.

Both nations have adhered to the principles governing bilateral relations laid in the Sino-Russian Joint Declaration signed during President Yeltsin's visit to China—non-interference in each other's internal affairs and avoidance of ideological influence on the development of state relations. China has worked persistently to foster with Russia a relationship of good-neighborliness, friendship and mutually-beneficial cooperation on the basis of the five principles of peaceful coexistence.

In 1993, China sent some 20 government and high-level expert delegations to visit Russia while receiving more than 30 such groups from the neighboring country. This year has seen visits to China by Russian Foreign Minister Andrey Kozyrev, State Duma Chairman Ivan Rybkin and Prime Minister Viktor Chernomyrdin, and trips to Russia by Chinese vice-premier and Foreign Minister Qian Qichen and Defense Minister Chi Haotian. The two sides reached many identical views on bilateral relations and major international issues.

Trade and economic cooperation between the two countries has also grown rapidly and the range of cooperation has widened. The volume of two-way trade in 1992 reached a record high of 5.86 billion U.S. dollars, 50 percent more than that between China and the then Soviet Union in the preceding year. Another 30.9 percent increase was seen in 1993, making China the second largest trading partner of Russia, next only to Germany.

Bilateral economic cooperation has advanced to include setting up joint ventures, conducting technological exchanges and contracting projects.

Substantial progress has been made in the two neighbors' talks on border issues. The two sides signed the "agreement on the eastern section of the Sino-Soviet border" in May 1991 and another accord is expected to be signed on the western section of the Sino-Russian border during Jiang's visit, when the delimitation of 99 percent of their borders will have been covered by agreements.

Meanwhile, talks on mutual reduction of armed forces in the border areas and on military confidence-building between the two nations are going on normally. The exchange of visits between the ministers of national defense and chiefs of the general staff of the two countries has also contributed to mutual trust and understanding.

In January, President Yeltsin proposed in a letter to President Jiang the establishment of "constructive relations of partnership" between Russia and China with the 21st century in view. Expressing his appreciation, the Chinese president told the visiting Russian prime minister recently that the two nations should consider and build their relations on the basis of a strategy that has the 21st century in perspective.

This shows that the two countries have the common desire to develop between them a constructive relationship of good neighborliness and friendship geared to the future.

Northeast Asia

Rong Yiren, Japanese Businessmen Meet, Discuss Development

OW3008120594 Beijing XINHUA in English 1108
GMT 30 Aug 94

[Text] Beijing, August 30 (XINHUA)—Vice-President Rong Yiren had a discussion here today with a group of Japanese businessmen who are scheduled to make feasibility studies for investing and developing the Daxie Island off the Ningbo City, Zhejiang Province.

Rong told the visitors that Daxie Island is endowed with many favorable conditions and its development is profitable.

Rong told them that China enjoys an encouraging economic situation, with foreign currency reserve and foreign trade volume increasing.

China will continue to deepen its reform and open itself still wider to the outside world so as to introduce more foreign technology and managerial experience, Rong said.

Discussing the Sino-Japanese ties, Rong expressed the conviction that such ties will grow continuously, because stronger economic and trade ties are beneficial to both sides.

The visitors are led by Fumio Umemoto, consultant of the Bank of Tokyo, and Yoshio Nakada, president of the Japanese Council for the Promotion of International Trade.

Noting that the Japan-China trade reached \$20 billion during the first six months 1994, Umemoto predicted that the volume will top \$40 billion by the end of the year.

The current study tour of the Japanese business people will be useful in expanding Sino-Japanese economic cooperation, he added.

Takako Doi Meets Qian Qichen, Raises Nuclear Issue

OW3108031494 Tokyo YOMIURI SHIMBUN in Japanese 29 Aug 94 Morning Edition p 3

[By Takayuki Tanaka]

[Text] Dunhuang, 28 Aug— Lower house Speaker Takako Doi, who is visiting China, completed major programs of her visit in Beijing and arrived in Dunhuang this afternoon. She will leave for home on 31 August.

What Doi was most insistent about in making the round of visits to Malaysia, Singapore, and China was to make points on "war responsibility" and "antinuclear" position. While the Social Democratic Party of Japan [SDPJ] has changed its basic policy stands one after another, including one on view of constitutionality of the Self-Defense Forces, what she tried to do was to cling to "the position worthy of the name SDPJ," (an official accompanying the house speaker said). When she met with Qian Qichen, deputy prime minister and concurrently foreign minister, Doi called for a halt to nuclear testing time and again. When the foreign minister tried to change the topic of conversation, Doi interrupted, and made him admit that the Nonnuclear Proliferation Treaty (NPT) was "beneficial to countries which have nuclear weapons."

"The atmosphere of the discussions" between Doi and leaders of the two Southeast Asian countries was "heavy," (according to the official). Doi's insistent position apparently was interpreted in a disagreeable way.

When Malaysian Prime Minister Mahathir asked her about Japan's future political leadership, saying that "we are keeping our eyes on Japan to see if it will continue to be (our) model in the future," Doi was unable to give him a clear-cut answer. That was another reason for the heavy mood at the meeting.

Since the SDPJ is now the main force in the government, it is only natural that the countries should have a watchful view of the party. Chinese President Jiang Zemin talked about "cooperative relations which promise hope for the future." The speaker's trip this time has been one which made one ask the question if the SDPJ can offer a concrete vision to bring about such relations.

CPPCC's Zhao Puchu Receives Japanese Youth Affairs Group

OW3008120394 Beijing XINHUA in English 1135
GMT 30 Aug 94

[Text] Beijing, August 30 (XINHUA)—Zhao Puchu, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), met here today with a Japanese delegation from the Youth Affairs Administration Management and Coordination Agency under the prime minister's office.

The delegation, headed by Suzuki Sakae, is visiting China as guests of the All-China Youth Federation.

Former Japanese Prime Minister Concludes Gansu Visit

HK3008110294 Lanzhou Gansu People's Radio Network in Mandarin 2300 GMT 22 Aug 94

[Text] Nobori Takeshita, a former Japanese prime minister who came to Gansu to attend the inauguration

ceremony of the Cultural Relics Preservation Center in Dunhuang, and his entourage, including Japanese Ambassador to China Michihiko Kunihiro and Japanese Foreign Ministry officials, and the delegation of the Japanese-Chinese Friendship Association headed by Chairman Ayao Hirayama successfully and satisfactorily concluded their visit to this province and left Dunhuang for Beijing on 22 August. Gansu Provincial Governor Zhang Wule and responsible officials from the departments concerned saw the guests off at the Dunhuang Airport.

Official Discusses Water Projects With Japan's LDP Head

*OW3008120494 Beijing XINHUA in English 1058
GMT 30 Aug 94*

[Text] Beijing, August 30 (XINHUA)—Qian Zhengying, vice-chairman of the National Committee of the Chinese People's Consultative Conference, had an hour long discussion here this afternoon with a Japanese official on Sino-Japanese cooperation in building super dams in the three gorges of the Chang Jiang River and other major water conservancy projects.

The visitor is Kibe Yushiaki, secretary general of the Liberal Democratic Party and a member of the House of Representatives, who arrived here yesterday.

Earlier today, Yushiaki had two-hour long talks on the situation in Japan and the Korean peninsula with Liu Shuqing, president of the Chinese People's Institute of Foreign Affairs.

Joint Venture With Japan To Create Lysine Production Base

*OW2908152194 Beijing XINHUA in English 1500
GMT 29 Aug 94*

[Text] Chengdu, August 29 (XINHUA)—A joint venture between China and Japan will become the biggest base for lysine production in China.

The contract for the project was signed between the Sichuan Chemical Industry Corporation and the Gourmet Powder Company of Japan in this capital of Sichuan Province today.

Under the contract the two sides will spend a total of 24 million U.S. dollars on the project, which is expected to go into operation in 1996.

The joint venture, with a term of 50 years, will have an annual production capacity of 6,000 tons of lysine products with a purity of 98 percent.

Lysine is one of the most important amino acids needed for human health.

Procuratorate Delegation Departs For ROK Visit

*OW3008151394 Beijing XINHUA in English 1014
GMT 30 Aug 94*

[Text] Beijing, August 30 (XINHUA)—Zhao Hong, deputy procurator-general of the Supreme People's Procuratorate, left Tianjin Monday [29 August] for the Republic of Korea (ROK) on a goodwill visit.

The four-member procurators delegation were invited by the ROK Supreme Public Procurator's Office. This is the first high-level connection between the procuratorate departments of the two countries.

Tianjin Secretary Leaves ROK for Thailand 30 Aug

*SK3108031494 Tianjin People's Radio in Mandarin
2300 GMT 30 Aug 94*

[Text] Successfully ending their visiting tours in the ROK, the Tianjin municipal delegation headed by Gao Dezhan left the ROK by plane for Thailand on the afternoon of 30 August to continue their visiting tours.

Taking a special trip to see the delegation off at the Kimpo Airport of Seoul were (Pak Son-pok), vice mayor of Inchon Municipality; responsible persons from the Inchon municipal government; and representatives of a number of enterprise groups.

During their six-day visiting tour in the ROK, the municipal delegation made nothing of hardships and worked tensely. Gao Dezhan, head of the municipal delegation, paid an official call to President Kim Yong-sam. He also met Choe Ki-son, mayor of Inchon Municipality, and principal responsible persons from various circles to discuss the important matters concerned of further enhancing the friendly contacts and economic cooperation between the two municipalities. The municipal delegation also successively made fact-finding tours among more than 10 large enterprises and business groups and held talks with them on the specific projects of economic cooperation. It also extensively carried out the activities of attracting business from ROK.

Through the work of achieving high efficiency and dealing with concrete matters relating to work, the municipal delegation scored important achievements in its visiting tours; made Tianjin well-known; extensively made friends; pushed cooperation forward; and expedited or promoted a large number of important cooperative projects. Many Korean businessmen visited the place where the municipal delegation stayed and held talks. They expressed they are willing to make fact-finding tours to Tianjin and to hold talks on cooperative projects in the near future. Some Korean personages said: The visit paid by the municipal delegation has further broadened Tianjin's influence in the ROK and is a successful event. Therefore, the cooperation between the ROK and Tianjin will cause a new enthusiastic upsurge.

The working spirit and work style of the municipal delegation were highly praised by the responsible personnel of the PRC Embassy in ROK.

Near East & South Asia

CPC Leader Meets Indian Communist Party Visitors

OW3008152894 Beijing XINHUA in English 1012 GMT 30 Aug 94

[Text] Beijing, August 30 (XINHUA)—Wei Jianxing, member of the Political Bureau of the Central Committee of the Communist Party of China (CPC), met here today with Doraisamy Raja, member of the National Executive Committee of the Communist Party of India.

Wei, also member of the Secretariat of the CPC Central Committee, held a cordial talk with the Indian Communist Party delegation at the Great Hall of the People.

The delegation arrived here last Saturday as guests of the CPC.

Li Chengren, deputy head of the International Liaison Department of the CPC Central Committee held talks with the Indian visitors on Sunday morning, and Li Shuzheng, head of the department, met the delegation that evening.

RENMIN RIBAO Reports Li Peng Talks With Iran's Habibi

View 'Cooperation in All Fields'

HK3008124494 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 30 Aug 94 p 1

[By staff reporter in Beijing Liao Xianwang (1675 034) 2598]: "Li Peng Holds Talks With Iranian First Vice President: Both Sides Are Satisfied With the Development of Relations Between the Two Countries in Recent Years"

[Text] Beijing, 29 Aug (RENMIN RIBAO OVERSEAS EDITION)—This afternoon, Premier Li Peng held talks with Iran's First Vice President Hasan Habibi at the Diaoyutai State Guest House in Beijing.

In a cheerful frame of mind, Li Peng said: "Your Majesty's visit will help deepen mutual understanding between the two sides, improve the friendship between the people of the two countries, and promote the development of their friendly relations and cooperation in all fields."

Habibi first conveyed President Ali Akbar Hashemi Rafsanjani's regards for President Jiang Zemin and said he was pleased to visit China. He said: "The people of Iran and China have established friendly relations and have cooperated in the past. China is a great country, and to vigorously develop relations with China is a fixed

policy of the Iranian Government. Over the last few years, bilateral relations have made substantial progress. The frequent mutual visits by leaders of the two countries have deepened mutual understanding between the two sides. Through discussions, the relevant departments of the two countries recently found common grounds and reached agreements concerning some problems in developing economic cooperation and trade. This will benefit the development of bilateral ties."

Li expressed his satisfaction with the growth of Sino-Iranian relations in recent years. He said: "The Chinese Government has always attached importance to friendly relations and cooperation with Iran. Despite the difference in social and political systems, ways of economic development, and religious and cultural traditions, the two countries' bilateral relations will certainly continue to develop as long as the two sides make common efforts according to the Five Principles of Peaceful Coexistence."

The economies of the two countries are complementary to some extent, and economic and trade ties have been growing rapidly in the past few years. It is not difficult for the relevant departments of the two countries to solve existing specific problems through friendly and careful discussions based on the principle of equality and mutual benefit. The understanding that the two sides reached recently has created favorable conditions for solving these problems, Li said.

Li asked Habibi to convey President Jiang Zemin's regards to President Rafsanjani. The two leaders also exchanged views on regional and international issues of common concern.

Before the talks began, Li presided over a ceremony near the Great Hall of the People to welcome the vice president.

Present at the talks were Iranian Petroleum Minister Aqazadeh-Kho'i; Iranian Commerce Minister ol-Eshaq; Iranian Ambassador to China Mir-Fakhr; Chinese Vice Foreign Minister Tian Zengpei; Xu Daquan, vice minister of metallurgical industry; Li Guohua, vice minister of foreign economic relations and trade; and Chinese Ambassador to Iran Hua Liming.

Habibi, Jiang Zemin Hold Discussions

LD3008195494 Tehran IRNA in English 1845 GMT 30 Aug 94

[Text] Beijing, Aug. 30, IRNA—First Deputy President of Iran Hasan Habibi in his meeting with the Chinese President Jiang Zemin here Tuesday emphasized on Iran-China relations.

Jiang expressed pleasure with Habibi's visit and said it speeds up Iran-China cooperation. China believes that negotiations between officials of the two countries can create closer bilateral relations, he added.

He said the two countries have common outlooks on many issues, and that China was opposed to all sorts of domination by any of the domineering world powers.

Jiang said the Western countries interfere in the internal affairs of other countries under the pretext of freedom and human rights, while the right for self determination is the undeniable right of all nations.

He also offered his best wishes for the President of Iran Ali Akbar Hashemi Rafsanjani.

Habibi replied that with respect to the present world affairs Iran believes that the independent position of China especially in Asia can respond to many of the pressures of the Western countries in the area of human rights.

He said for the time being the United States has a physical presence even in the Persian Gulf which is against all international laws and these are among elements which warrant the resistance of the independent nations against such things.

The first deputy president of Iran said he had previously conferred with other Chinese officials and had very fruitful talks with them on cultural, political and financial cooperation.

He said his talks with the Chinese officials in relation to oil cooperation had also been very fruitful.

The first deputy president of Iran also elaborated on the position of Iran in relation to regional and international issues.

Further on Talks

OW3008133194 Beijing XINHUA in English 1320 GMT 30 Aug 94

[Text] Beijing, August 30 (XINHUA)—Chinese President Jiang Zemin said today that China is glad to see the stable development of the bilateral co-operation between China and Iran in recent years and wants to enhance the bilateral trade and economic ties on the basis of equality and mutual benefit.

Jiang made the remarks here at Zhongnanhai when meeting with Iranian First Vice-President Hassan Habibi.

Habibi firstly conveyed the greetings of Iranian President Akbar Hashemi Rafsanjani to Jiang.

It is important for the leaders of the two countries to keep in touch with each other in order to promote the bilateral relations, Habibi said.

Though his visit is a short one, Habibi said, he had had deep and extensive talks with Chinese leaders and relevant officials on the prospects for bilateral political relations, and trade and economic co-operation.

Since the international situation has changed greatly, the first vice-president said, Iran and China should keep in closer contact and further improve trade and economic co-operation.

Jiang Zemin said both China and Iran are countries with ancient civilizations, and the exchanges between the two peoples have a long history.

In recent years, Jiang noted, the traditional friendship between the two countries has seen new developments in the new historic situation thanks to the efforts the two countries' leaders made to promote it.

Jiang stressed that China is willing to enhance the development of trade and economic co-operation with Iran on the basis of equality and mutual benefit.

Jiang said he believed that Habibi's trip to China would play a positive role in the promotion of the bilateral friendly relations on the basis of the five principles of peaceful coexistence.

Jiang also briefed the visitors on the economic situation and the process of reform and opening up in China. Jiang asked Habibi to convey his greetings to Iranian President Rafsanjani.

The two leaders then exchanged views on international situations.

Qiao Shi Meets Habibi

OW3008141194 Beijing XINHUA in English 1350 GMT 30 Aug 94

[Text] Beijing, August 30 (XINHUA)—Qiao Shi, chairman of China's National People's Congress (NPC) Standing Committee, met here today with Hassan Habibi, Iran's first vice-president.

Qiao expressed the belief that the visit of Habibi would be helpful for the further development of bilateral relations.

Habibi said he was satisfied with the talks he had yesterday with Chinese Premier Li Peng.

He said Iran and China enjoy a long history of exchanges, and bilateral ties have grown greatly in political, economic, cultural and other fields over the past few years. Leaders of the two countries have been exchanging visits, he noted.

Habibi said that high-level contacts and close co-operation between the parliaments of the two countries are important for promoting bilateral ties.

Habibi told Qiao that Nateq-Nuri, speaker of Iran's Islamic Consultative Assembly (Majlis), is looking forward to Qiao's visit to Iran.

Qiao said he hoped he would have a chance to meet Nateq-Nuri.

Qiao echoed Habibi on bilateral relations, saying that Sino-Iranian relations have been growing steadily although tremendous changes have taken place in the international situation. "China takes a positive attitude toward the development of Sino-Iranian relations," he said.

In recent years, Qiao said, the two parliaments have maintained friendly contacts which have played an important part in propelling bilateral co-operation.

He noted that the development of Sino-Iranian relations is in the interests of the two peoples.

Qiao also briefed the visitor on China's independent foreign policy of peace, the NPC's legislative procedures during economic development and reform.

The two leaders also exchanged views on bilateral relations, and regional and international issues of mutual concern.

Political & Social**Jiang Zemin Signs Decree Promulgating Auditing Law***OW3108083694 Beijing XINHUA Domestic Service in Chinese 0537 GMT 31 Aug 94*

[Text] Beijing, 31 Aug (XINHUA)—Decree No. 52 of the president of the People's Republic of China

The "Auditing Law of the People's Republic of China" has been adopted at the Ninth Standing Committee Session of the Eighth National People's Congress on 31 August 1994 and is hereby promulgated. It will go into effect as of 1 September 1995.

[signed] Jiang Zemin, president of the People's Republic of China

[date] 31 August, 1994

Jiang Zemin Signs Decree Promulgating Arbitration Law*OW3108083794 Beijing XINHUA Domestic Service in Chinese 0508 GMT 31 Aug 94*

[Text] Beijing, 31 Aug (XINHUA)—Decree No. 31 of the president of the People's Republic of China

The "Arbitration Law of the People's Republic of China" has been adopted at the Ninth Standing Committee Session of the Eighth National People's Congress on 31 August 1994 and is hereby promulgated. It will go into effect as of 1 September 1995.

[signed] Jiang Zemin, president of the People's Republic of China

[date] 31 August, 1994

Li Ruihuan Inspects Xinjiang 21-28 Aug*OW3108063694 Beijing XINHUA Domestic Service in Chinese 1416 GMT 28 Aug 94*

[By RENMIN RIBAO reporter Zhu Qian (4376 6197), XINJIANG RIBAO reporter Huang Yuancai (7806 0337 2088), and XINHUA reporter Liu Guangniu (0491 0342 3662)]

[Text] Urumqi, 28 Aug (XINHUA)—During an inspection of Xinjiang, Li Ruihuan, Standing Committee member of the CPC Central Committee Political Bureau and chairman of the Chinese People's Political Consultative Conference (CPPCC) National Committee, stressed the importance of concentrating efforts to develop the economy and improve people's living standards in areas inhabited by ethnic minorities.

Li Ruihuan, accompanied by Tomur Dawamat, National People's Congress Standing Committee vice chairman; Abulaiti Abudurexiti, Xinjiang Uygur autonomous regional chairman; Janabil, CPPCC regional committee chairman; and Zhang Fusen, Jin Yunhui, and

Keyum Bawudun, regional party committee deputy secretaries, successively visited Urumqi, Changji, Shihezi, Ili, Kashi, Hotan, and Turpan from 21 to 28 August. He went deep into factories, mines, enterprises, rural and pastoral areas, land reclamation farms, border trade outlets, and oilfields, calling on Uygur and Kazak households, chatting cordially with farmers and herdsmen, familiarizing himself with their production and living conditions, and soliciting their opinions and requests about the relevant policies. While touring the Aitidor Mosque in Kashi, he discussed with imams about ways to comprehensively implement the party's policy toward religions. At the Xinjiang Production and Construction Corps' Shihezi Land Reclamation Area, he visited the memorial hall for the late Premier Zhou Enlai and extended the party Central Committee's greetings and regards to the corps' 1 million-strong workers and staff. In Hotan, he met with support-the-frontier youths of the 1960s and encouraged them to make still greater contributions to Xinjiang's construction and development. Along the way, he attended in-depth discussions with local party and government officials on general principles for accelerating economic development, improving people's living standards, and maintaining social stability.

Speaking highly of Xinjiang's achievements in reform and opening up, Li Ruihuan said: In recent years, Xinjiang has scored notable successes in economic construction, as reflected in the tremendous changes in the appearance of urban and rural areas, a basically stable society, and gradually improved people's living standards. These achievements are the results of all-level party committees and governments correctly implementing the Central Committee's principles and policies and leading the people of all nationalities in fighting in unity to overcome difficulties. He urged cadres and people of all nationalities, under the leadership of the regional party, to rally more closely around the party Central Committee, with Comrade Jiang Zemin at the core, and redouble efforts to further improve work and turn Xinjiang into a more splendid region.

During the inspection, he pointed out: To develop the economy and improve people's living standards is an important aspect of work in areas inhabited by ethnic minorities, as well as a pressing demand of the people of all nationalities. Experiences have shown that backward economy can cause a series of problems related to backwardness, and a developed economy can bring prosperity to people. A series of problems will arise if economy remains undeveloped and people's livelihood unchanged for a long period of time. Only when the economy is developed and living standards are improved will the people have hopes, the drive to work, and the faith in the party and government. Therefore, leaders at all levels must always give priority to the work of making economic development and improving living standards and ensure success of the work.

He said: Xinjiang is a treasure land, a vast region with few people and rich resources, bordering eight foreign

countries and connecting the Euro-Asian Continental Bridge. Moreover, with the foundations of work for more than four decades, Xinjiang has a bright future and great potential for further development. He pointed out: The shortage of water and transportation facilities are major factors hindering the region's economic development. Only when the water and transportation problems are resolved can we turn Xinjiang's advantage in resources into an economic advantage to invigorate the regional economy. Xinjiang has rich latent water resources, with the annual surface water runoff discharge and exploitable underground water totaling more than 110 billion cubic meters, equivalent to the water of two Huang He rivers. We should study distribution characteristics and formulate overall plans for reasonable development and scientific utilization of water resources. We should quicken the construction of water conservancy facilities to control losses of water resources and increase water utilization rate. We should use as much water as we can to develop agriculture, animal husbandry, and crop-planting in a way that is beneficial to the ecology. He added: The completion of the double-track Lanzhou-Xinjiang Railway next year will give a strong impetus to the regional economic development. At present, shipment of goods into and out of the southern region is rather difficult as high roads are the only transportation facilities. Effective measures should be taken to improve the situation.

Li Ruihuan also showed deep concern for the living standards of the people of all nationalities in Xinjiang. Everywhere he went, he repeatedly emphasized to local cadres that to continuously improve people's living standards is the fundamental duty of communists as well as the ultimate goal of economic development. In the process of boosting the local economy, leaders at all levels must try their utmost to solve practical problems and ensure that people's living standards are improved year after year. Showing keen attention to the lack of drinking water in the southern region, Li Ruihuan stressed: This problem should be tackled as the most urgent practical problem facing the masses. We should mobilize the masses and raise funds from various quarters to effectively solve this practical problem of the people step by step in a systematic way.

During his inspection, Li Ruihuan pointed out: A relationship featuring unity and fraternity among all nationalities and a stable and harmonious social situation is the prerequisite and guarantee of economic development and improvement of living standards. The people of all nationalities in Xinjiang safeguard the motherland's unification and unity of nationalities. We should uphold the banner of safeguarding the authority of the law and protecting the people's interests by resolutely opposing and stopping activities by a small handful of people to split the motherland and sabotage national unity and social stability. Cadres and people must cherish national unity and social stability as if it is the pupils of their eyes,

and must continuously consolidate and strengthen the unity and stability in the joint struggle for prosperity in Xinjiang.

Vice Minister Speaks to Press on Anticorruption Efforts

HK3108061094 Beijing CHINA DAILY in English 31 Aug 94 p 1

[By Gao Jinan: "Legislators Draft Laws To Fight Corruption"]

[Text] Lawmakers are drafting three new laws on curbing corruption and punishing those involved in graft, a senior judicial official revealed yesterday.

The move signals the country's determination to build a clean government and weed out bribery and fraud, Vice-Minister of Supervision Li Zhilun told a news conference in Beijing.

The anti-embezzlement and anti-bribery law, supervision law and law on the reporting of property and income by officials, are being formulated by the Supreme People's Procuratorate (SPP) and the Ministry of Supervision.

Li said that the laws are expected to be adopted next year or in 1996.

When the laws are implemented, Party and government officials will have to declare their property and sources of income. Such a trial scheme has already been implemented in Shenyang, Liaoning Province, XINHUA reported.

But Li and Liang Guoqing, deputy procurator-general of the SPP, declined to provide further details on the laws.

Liang said corruption is becoming a serious problem in China and needs to be curbed. And those officials who trade power for personal gain should be punished.

In the first half this year procuratorates at all levels uncovered more than 20,000 embezzlement and bribery cases, an 81 percent increase over the same period last year. More than 3,000 Party and government officials were found to be involved.

Liang said that embezzlement and corruption hinders reform and progress towards a socialist market economy.

Liang said corruption is becoming a serious problem in China and needs to be curbed. And those officials who trade power for personal gain should be punished.

Liang, who is a vice chairman of the Seventh International Anti-corruption Conference to be held in Beijing next year, said that Chinese procuratorates have established close ties with anti-corruption departments in other countries. And the Chinese side is ready to develop these links, he said.

The theme of the upcoming conference is anti-corruption, social stability and development. Participants will discuss the consequences of corruption on social stability and economic development, the features of corruption, corruption in financial markets and among government officials, and international co-operation to fight corruption.

Organized and sponsored by the SPP and the Ministry of Supervision, the conference will promote international co-operation in anti-corruption efforts.

Liang said that President Jiang Zemin and Premier Li Peng have expressed their support for the conference which will be attended by government officials, judges, procurators, police officers, attorneys and scholars. The organizing committee will send out invitations soon.

NPC Standing Committee Holds Plenary Meeting

Qiao Shi, Tian Jiyun Attend Meeting

OW3108105394 Beijing XINHUA Domestic Service in Chinese 1107 GMT 29 Aug 94

[By reporters Wang Jinfu (3076 6855 4395) and Zhang Sutang (1728 1372 1016)]

[Text] Beijing, 29 Aug (XINHUA)—The Ninth Session of the Eighth National People's Congress [NPC] Standing Committee held a plenary meeting this afternoon at the Great Hall of the People.

Chairman Qiao Shi attended and Vice Chairman Tian Jiyun presided over the meeting.

Entrusted by the State Council, Chen Jinhua, the minister in charge of the State Planning Commission, briefed meeting participants on the execution of the national economic and social development plan since the beginning of this year, with the main focus being on the new progress achieved in the areas of reform, opening up, and economic construction, the major contradictions and problems that need to be studied and solved in the current economic development, and the major work over the next several months. He said that thanks to a half year of effort, major reform measures have been launched smoothly, the national economy has continued to develop in the direction required by macroeconomic regulation and control, and social stability has been maintained.

In line with the arrangements made by the NPC Standing Committee on inspecting this year's law enforcement work, an inspection group under the NPC Internal and Judicial Affairs Committee had checked on the implementation of the "Decision of the NPC Standing Committee on Enhancing the Comprehensive Management of Social Order" in Guangdong, Guangxi, Hebei, and Henan. At today's meeting, Meng Liankun, chairman of the Internal and Judicial Affairs Committee, gave his report on the inspection to the Standing Committee.

Feng Zhijun, vice chairman of the NPC Credentials Committee, also reported at the meeting on the credentials of deputies who were elected in elections and in by-elections, and he asked the NPC Standing Committee for its examination and approval. He said that three new NPC deputies have been elected lately in local elections and in by-elections. They are: Ma Yaoxuan (Hui nationality) and Tie Hongxiang (Lahu nationality) from Yunnan, and Liu Fangren from Guizhou. Their qualifications to be NPC deputies have been confirmed following a check by the Credentials Committee. Now the number of the deputies to the Eighth NPC stands at 2,976. Since the holding of the Sixth Session of the Eighth NPC Standing Committee, six deputies have passed away. They were: Zhao Shouyan of Beijing, Zhao Jinhua of Henan, Yi Meihou of Guangdong, Wang Bingjun of Guizhou, Dao Daokong of Yunnan, and Wang Yongming of the People's Liberation Army. Chang Yi, former mayor of Liaoning's Dandong city, has been stripped of his NPC deputy status by the Liaoning People's Congress Standing Committee because of committing the crime of smuggling.

Vice Chairmen Wang Hanbin, Ni Zhifu, Chen Muhua, Sun Qimeng, Lei Jieqiong, Qin Jiwei, Li Ximing, Wang Guangying, Cheng Siyuan, Lu Jiayi, and Li Peiyao attended the meeting.

State Councillor Song Jian, Supreme People's Court President Ren Jianxin, and Supreme People's Procurator General Zhang Siquing attended the meeting as observers.

Issues Judges, Procurators Name List

OW3108113694 Beijing XINHUA Domestic Service in Chinese 0513 GMT 31 Aug 94

[Text] Beijing, 31 Aug (XINHUA)—The National People's Congress [NPC] Standing Committee's name list of appointments and removals

Adopted at the ninth meeting of the Eighth NPC Standing Committee on 31 August 1994

1. Hu Jiuyuan [5170 0036 6678], Zou Chengyong [6760 2110 7167], Ma Jian [7456 0256] (female), Yang Lixin [2799 4539 2450], Zhang Tingzhi [1728 1694 2535], Zhang Jihong [1728 4949 4767] (female), and Peng Shixiang [1756 0099 5046] have been relieved of their duties as judges at the Supreme People's Court.

2. Wang Jianming [3769 1696 2494], Zhang Shuwen [1728 2579 2429] (female), and Liu Xiaoqing [0491 1420 7230] (female) have been appointed as procurators at the Supreme People's Procuratorate.

3. Cao Jinlu [2580 6651 4389], Zhao Xibo [6392 6932 3134], and Jing Fengrun [2529 1144 3387] have been relieved of their duties as procurators at the Supreme People's Procuratorate.

Appoints Deputy Secretary General

OW3108080394 Beijing XINHUA Domestic Service in Chinese 0509 GMT 31 Aug 94

[Text] Beijing, 31 Aug (XINHUA)—The appointment list of the National People's Congress [NPC] Standing Committee

Adopted at the ninth meeting of the Eighth NPC Standing Committee on 31 August 1994

Liu Zhen [0491 6966] has been appointed as deputy secretary general to the NPC Standing Committee.

Adopts Laws, Decision on Hong Kong

OW3108072194 Beijing XINHUA in English 0622 GMT 31 Aug 94

[Text] Beijing, August 31 (XINHUA)—China's top legislature, the Standing Committee of the National People's Congress, adopted the Arbitration Law and the Auditing Law today.

Lawmakers said the Arbitration Law will be conducive to fair and timely arbitration in the country's rising economic disputes, protect the legal rights of the parties involved and guarantee the healthy development of the socialist market economy.

The law, containing 80 articles in eight chapters, defines the establishment, operation, legal duties of the arbitration organizations. It is designed to be in effect on September 1, 1995.

The auditing law is expected to help make closer supervision, maintain financial and economic order, and promote the country's anti-corruption drive.

The new law will beef up auditors' duty in checking government revenues, expenditures, and enforcement of budgets. Auditors are also empowered to halt illegal activities of those under supervision.

The Auditing Law, containing 51 articles in seven chapters, will be enforced starting on January 1, 1995.

At the closing session of the NPC Standing Committee, the law makers also approved a decision on terminating the current Hong Kong political structure after the country regained sovereignty over Hong Kong on July 1, 1997, and on establishing a new one.

Three new deputies were elected to the NPC, and one from northeast China's Liaoning Province was removed from the NPC because of criminal offenses.

Chang Yi, a NPC deputy and Mayor of Dandong City in Liaoning, was involved in two car smuggling cases, the Standing Committee said.

According to law, Chang's status as a NPC deputy should also be revoked.

The legislature approved a Sino-Bulgarian treaty on civil judicial cooperation, and a friendship and cooperation treaty with Mongolia.

Regulations on Education for Disabled

OW3008144294 Beijing XINHUA Domestic Service in Chinese 1450 GMT 26 Aug 94

[Text] Beijing, 26 Aug (XINHUA)—Regulations on Education for the Disabled

Chapter One. General Principles

Article 1. These regulations are drawn up on the basis of the "PRC Law for the Protection of the Disabled" as well as education-related laws of the state for the sake of safeguarding the disabled's right to education and developing education for the disabled.

Article 2. Education for the disabled shall be in line with the state's education policy and, to create the conditions which the disabled need to live a social life on an equal footing, its quality shall be improved in accordance with the disabled's special physical and psychological needs.

Article 3. Education for the disabled is part of the state's educational cause.

The principle of combining universalization and improvement, with emphasis given to the former, shall be followed in developing education for the disabled. Priority shall be given to developing compulsory and vocational education. Positive efforts shall be made in launching preschool education, and senior high and college education should be developed step by step.

In accordance with the disabled's disability and capacity, education for the disabled shall be conducted in both ordinary and special ways. The roles played by ordinary educational institutions shall be given full scope in educating the disabled.

Article 4. People's governments at all levels shall provide stronger leadership over education for the disabled, comprehensively plan and develop education for the disabled, and gradually increase their budgets for education for the disabled and for improving educational conditions.

Article 5. The State Council's education departments are in charge of education for the disabled. Education departments of county and higher-level people's governments are in charge of education for the disabled in their respective administrative areas.

Within the scope of their responsibilities, other relevant departments under county and higher-level people's governments take charge of related educational affairs for the disabled.

Article 6. The Chinese Federation for the Disabled and other local organizations shall actively promote and develop education for the disabled.

Article 7. Kindergartens and all types of schools at all levels as well as other educational institutions shall provide education for the disabled in accordance with relevant state laws and regulations.

Article 8. Families of the disabled shall assist the disabled in receiving education.

Article 9. People of all walks of life in society shall care for and support education for the disabled.

Chapter Two. Preschool Education

Article 10. The following institutions shall provide preschool education for disabled children.

- (1) Educational institutions for disabled children;
- (2) Ordinary educational institutions for children;
- (3) Welfare institutions for disabled children;
- (4) Rehabilitation institutes for disabled children; and
- (5) Preschool classes of ordinary primary schools, and preschool classes for disabled children and special juvenile education.

The families of disabled children shall provide disabled children with preschool education.

Article 11. Education for disabled children shall be carried out in conjunction with child care and rehabilitation.

Article 12. Health institutions, institutions for disabled children's preschool education, and families shall pay attention to the early discovery, early rehabilitation, and early education for disabled children.

Health institutions and institutions for disabled children's preschool education shall provide consultative service and guidance for disabled children's early discovery, early rehabilitation, and early education.

Chapter Three. Compulsory Education

Article 13. Local county and higher-level people's governments shall incorporate compulsory education for disabled children and youth with the local development plans for compulsory education and carry out the plans comprehensively.

When county and higher-level people's governments supervise, guide, and inspect the implementation of compulsory education, they shall also supervise, guide, and inspect the implementation of compulsory education for disabled children and youth.

Article 14. The parents or other guardians of disabled children and youth of the right age shall follow the law and ensure children under their guardianship receive the compulsory education.

Article 15. The school age and length of compulsory education for disabled children and youth shall be the same as those for the local children and youth; but when

necessary, their age of enrolling in school or the length of their stay in school may be appropriately extended.

Article 16. Education and health departments of county-level people's government shall provide consultative service for the schooling of disabled children and youth of the right age, assess their disability, and make suggestions on the form of education they should receive.

Article 17. According to circumstances, disabled children and youth of the right age shall receive compulsory education in the following manners:

- (1) Attending classes in ordinary schools;
- (2) Attending classes for disabled children and youth—classes affiliated with ordinary schools, children's welfare institutions, or other institutions; and
- (3) Attending schools providing special education for disabled children and youth.

Local people's governments at all levels shall take gradual steps to create the conditions and take other appropriate steps to provide compulsory education for disabled children and youth who are unable to attend school because of their physical conditions.

Article 18. Taking into consideration of the actual situation, the miscellaneous and other fees should be reduced or exempted for disabled students who have financial problems.

Article 19. The education at schools (classes) providing special education for disabled children and youth shall include education in ideology, academics, work skills, and training needed for physical and psychological compensation. The curriculum shall be categorized according to the state of the students' disability and the degree of compensation they need. Schools with the resources shall teach the disabled students individually.

Article 20. The curricula, teaching plans, and teaching materials of schools (classes) providing special education for disabled children and youth shall be in line with the special needs of disabled children and youth.

The State Council's education departments shall formulate the curricula and teaching plans for schools providing special education for disabled children and youth; and education departments of provincial and higher-level people's governments shall review and approve the teaching materials.

Article 21. In accordance with relevant regulations of the state, ordinary schools shall enroll disabled children and youth of the right age who can study at regular classes, and provide them with assistance in accordance with their special study and rehabilitation needs. Schools with the resources may establish classes that provide special assistance.

Within their respective administrative districts, education departments under county-level people's governments shall intensify their guidance for the teaching at classes with disabled children and youth attending.

The curricula, teaching plans, and teaching materials for ordinary compulsory education may be used for compulsory education for disabled children and youth attending regular classes, but the study requirements should be appropriately flexible.

Article 22. In accordance with their needs, schools providing compulsory education for disabled children and youth shall train disabled students on work skills, and give them vocational education and occupational guidance.

Chapter Four. Vocational Education

Article 23. People's governments at all levels shall include vocational education for the disabled in their overall planning for the development of vocational education, create a system of education for the disabled, and implement it comprehensively.

Article 24. Vocational education for the disabled should give priority to developing primary and secondary vocational education, appropriately developing higher vocational education, and launching medium and short-term training of applied technical skills.

Article 25. The system of vocational education for the disabled shall be formed by institutions providing ordinary vocational education and institutions providing vocational education for the disabled, with the former serving as the mainstay.

According to needs, local county and higher-level people's governments shall rationally establish organs to take charge of vocational education for the disabled.

Article 26. Ordinary vocational schools must enroll disabled students who meet state-set enrollment standards, and ordinary vocational training institutions shall make positive efforts to enroll the disabled.

Article 27. In accordance with social needs and the physical and mental state of the disabled, vocational schools and vocational training institutions for the disabled shall rationally provide special training courses, and, in accordance with teaching needs and resources, set up their own businesses and training bases.

Article 28. Taking into consideration the circumstances, disabled students who have financial problems should have their tuitions and other fees reduced or exempted.

Chapter Five. Ordinary Senior High, College, and Adult Education

Article 29. Ordinary senior high schools, colleges, and adult education institutions shall enroll disabled students who meet state-set enrollment requirements, and shall not reject them on account of their disability.

Article 30. According to needs and to train the disabled to become more proficient workers, local people's governments of cities and larger administrative areas with

districts may sponsor special senior high schools or colleges (classes) for the disabled.

Article 31. According to actual needs, education departments under county and higher-level people's governments shall work with radio and television departments on the transmission of special courses and curricula appropriate for the disabled to study.

Article 32. Units where the disabled work shall provide disabled workers with academic and technical training.

Article 33. Anti-illiteracy education shall include education for illiterate and semi-illiterate disabled personnel who are 15 or older and have not lost their learning capacity.

Article 34. The state and society encourage and help the disabled to become useful personnel through self-study.

Chapter Six. Teachers

Article 35. People's governments at all levels shall attach importance to cultivating and training teachers engaged in educating the disabled, and they shall take measures to gradually upgrade their status and increase their pay, improve their working environment and conditions, and encourage teachers to dedicate their entire life to the cause of educating the disabled.

Article 36. Teachers engaged in educating the disabled should love their career of educating the disabled, have socialist humanitarian spirit, care for the disabled students, and be proficient in the specialized knowledge and skills needed for educating the disabled.

Article 37. The state implements a system under which teachers engaged in educating the disabled should be certified. Specific measures shall be formulated by education departments and other relevant administrative departments under the State Council.

Article 38. In accordance with the standards set for teachers working at special schools for the disabled, units sponsoring schools providing special education for the disabled shall employ for the schools teachers and personnel rehabilitating the disabled.

Education departments under the State Council shall work with other relevant departments under the State Council in setting the norms governing the size of the teaching staff in a school providing special education for the disabled.

Article 39. Education departments under the State Council, and education departments of local people's governments of provinces, autonomous regions, and municipalities under the Central Government's direct jurisdiction shall have plans for training teachers engaged in educating the disabled through sponsoring teacher-training schools and colleges or specialized training courses or setting up teaching-training classes (or divisions) at ordinary teacher-training colleges and schools.

Article 40. Education departments under local county and higher-level people's governments shall include plans of training teachers engaged in educating the disabled in their operating plans and, through setting up training bases, organize incumbent teachers engaged in educating the disabled to receive more advanced training.

Article 41. Ordinary teaching-training colleges and schools should have plans for offering compulsory and elective courses for special education for the disabled so the students can master the basic knowledge and skills for special education for the disabled to meet the needs of disabled students who attend regular classes.

Article 42. In accordance with the relevant state regulations, teachers and staff workers engaged in educating the disabled receive allowances and other pay for people engaged in educating the disabled.

Chapter Seven. Material Conditions

Article 43. In accordance with the peculiar situation of education for the disabled, as well as the guidelines set by education departments under the State Council, people's governments of provinces, autonomous regions, and municipalities under the Central Government's direct jurisdiction shall set their respective standards for construction of schools for the disabled, budgets, and teaching equipment and facilities.

Article 44. People's governments at all levels shall be responsible for raising the funds needed for educating the disabled, and these funds shall increase step by step along with the increase of educational budgets.

According to needs, county and higher-level people's governments may earmark special funds for subsidizing the development of education for the disabled.

A certain percentage of the funds earmarked for compulsory education and the additional educational levies which local people's governments collect should be used for development of compulsory education for disabled children and youth.

Article 45. The state encourages the public to sponsor institutions for the disabled's education or give financial support for the education.

Article 46. Local county and higher-level people's governments shall have comprehensive, rational plans for establishing institutions for education for the disabled.

Education departments shall examine and approve the establishment of schools for the disabled according to relevant state regulations.

Article 47. The construction of educational institutions for the disabled shall take into consideration disabled students' study, rehabilitation, and living needs.

In accordance with the actual needs, ordinary schools shall have facilities accommodating disabled students' needs.

Article 48. County and higher-level people's governments and their education departments shall have preferential policies and measures for supporting research and production of specialized equipment, facilities, teaching tools, training equipment, and other auxiliary tools for disabled's education, and support educational institutions for the disabled to set up and develop businesses or welfare businesses.

Article Eight. Awards and Penalties

People's governments at all levels or their education departments shall commend those units and individuals who have accomplished any one of the following:

- (1) Those who have made outstanding contributions to education for the disabled in terms of teaching or teaching research;
- (2) Those who have performed remarkably well in supporting the schooling of the disabled;
- (3) Those who have achieved outstanding success in building schools for the disabled; or
- (4) Those who have made major contributions to other aspects of education for the disabled.

Article 50. Relevant departments shall discipline those who are directly responsible for any one of the following behaviors:

- (1) Those who have rejected the enrollment of the disabled who should be enrolled according to relevant state regulations;
- (2) Those who have humiliated, given physical punishment, or assaulted disabled students; or
- (3) Those who have encroached, withheld, or embezzled funds meant for education for the disabled.

Education departments shall order the school which has committed (1) above to enroll the disabled. Public security authorities shall discipline those who have committed (2) above and violated the "PRC Regulations for Controlling Public Offenses." Whoever has committed both (2) and (3) above has committed a crime and his criminal responsibilities shall be investigated.

Chapter Nine. Supplementary Articles

Article 51. People's governments of provinces, autonomous regions, and municipalities under the Central Government's direct jurisdiction may draw up implementation measures according to these regulations.

Article 52. These regulations go into effect upon promulgation.

Li Peng Promulgates Regulations on Education for Disabled

OW3008150394 Beijing XINHUA Domestic Service in Chinese 1414 GMT 26 Aug 94

[Text] Beijing, 26 Aug (XINHUA)—PRC State Council Decree, No. 161

The "Regulations on Education for the Disabled" are now promulgated. They go into effect upon promulgation.

[signed] Premier Li Peng

[dated] August 23, 1994

Customs To Enforce IPR Protective Measures Effective 15 Sep

OW3108095294 Beijing XINHUA Domestic Service in Chinese 0728 GMT 31 Aug 94

[Text] Beijing, 31 Aug (XINHUA)—The General Administration of Customs recently issued a notice, announcing the enforcement of intellectual property rights [IPR] protective measures at ports of entry and exit starting 15 September 1994 in accordance with the provisions of the current relevant state laws and the State Council's "Decision on Further Strengthening IPR Protection."

The notice explicitly points out: Goods in violation of IPR (including exclusive trademark rights, copyrights, and patent rights) shall not be allowed to be imported or exported. In the event that customs uncovers the import or export of goods allegedly violating IPR or goods being suspected of IPR violations, customs has the right to demand the imported or exported goods' consignee or consignor to supply the legal certificate for using the relevant IPR and to submit additional customs declarations for the goods' IPR; customs has the right to return goods without the legal certificate. Consignees and consignors of imported and exported compact and laser disks, as well as imported mold plates and components for making compact and laser disks in the form of processing trade, should submit a certificate of approval issued by the department in charge of audio and visual products and complete customs formalities in accordance with the relevant state regulations. Consignees and consignors of imported and exported goods, who fail to submit a factual declaration and evade customs surveillance in smuggling goods violating IPR, shall be handled by customs in accordance with the relevant regulations.

The notice also defines the rights, responsibilities, and duties of IPR owners. In the event that an owner of IPR protected by Chinese laws discovers that goods violating his IPR will be imported or exported, he may report and show the IPR ownership certificate (such as IPR registration certificate, samples of copyrighted works, and other relevant materials proving the IPR) to the local customs, and request customs to investigate and handle the goods at the time of their entry or exit. When requesting customs to investigate and handle goods violating IPR, the owners have the responsibility to provide evidence of the imported or exported goods' violations of IPR; they should assist customs in investigations and pay appraisal, investigation, and other fees as deemed necessary.

Government Drafting National Social Development Program

OW3008151294 Beijing XINHUA in English 1450 GMT 30 Aug 94

[Text] Beijing, August 30 (XINHUA)—The Chinese Government is drafting a national social development program in a bid to ensure a coordinated economic and social advance.

The program, the first of its kind in China, will lay down the goals for China's social development for the next five and 15 years, respectively, according to Hao Jianxiu, deputy minister of the State Planning Commission.

She told a press conference here today that the program, to be finalized soon, will also cover the policies and measures of the Chinese Government.

The move comes before the United Nations is to sponsor a world summit on social development in Copenhagen next March.

The summit, the first in the history of the U.N., will focus on poverty alleviation, employment and social harmony.

Hao, who is also vice-chairman of China's Organizing Committee for the summit, said that China attaches great importance to and has achieved remarkable progress in social development.

To date, some indices of human development in China are ahead of the average level in developing countries, Hao said.

The progress includes sufficient provision of food and clothing for China's 1.2 billion people, a low infant death rate, life expectancy of 70 years, an education rate of 97.7 percent for children, improvements in medical care, low jobless rates in urban areas and benign treatment for the aged and handicapped.

According the 1994 report on human development made by the UN Development Program (UNDP), although China is among the 173 low-income-category countries, it ranks 94th, i.e. in the middle range, as far as human development is concerned.

Hao said that the world summit next March will help China learn from other countries' experience, expand international co-operation and further promote social development in China.

China will also co-sponsor a high-level international symposium with the UNDP in October this year on the same topic, Hao said.

Draft Arbitration, Auditing Laws Revised

Qiao Shi Present

OW3008141694 Beijing XINHUA in English 1254 GMT 30 Aug 94

[Text] Beijing, August 30 (XINHUA)—After the first revision following the previous session of China's top

legislature, the draft arbitration law and auditing law were again changed according to deliberation results at the current session.

Chairman of the Law Committee of the National People's Congress (NPC) Xue Ju reported the latest revision to the NPC Standing Committee here today.

It was agreed by the legislators that the two drafts are ready for adoption, after some changes, at the end of this session, next Wednesday [31 August], according to Xue.

The latest draft of the arbitration law provides specific definitions on the charters and duties of arbitration associations, saying that the charter of the China Arbitration Association should be decided by all its members. The associations serve as self-disciplinary bodies for industry, and formulate arbitration rules according to law.

Administrative or criminal penalties were added in the new draft for arbitrators if they fail to observe the law.

Lawmakers also made amendments to separate arbitration from administration.

The draft auditing law, according to Xue, provides that auditing results of governmental expenditure and budget and their enforcement shall be submitted to the standing committees of the people's congresses at corresponding levels.

Auditing agencies are also empowered in the latest version of the draft to halt illegal practices of those audited, Xue said.

Lawmaker Tsang Hin Chi called on his colleagues to ratify a proposal which suggests that the political structure of Hong Kong established in line with H.K. Governor Chris Patten's reform package be terminated on June 30, 1997.

Tsang and 31 other NPC deputies initiated the bill in March this year, when British Government unilaterally made decisions on the electoral arrangements in Hong Kong.

Another six legislators made speeches at the meeting.

Qiao Shi, chairman of the NPC Standing Committee, attended the meeting, over which vice-chairman Lu Jiaxi presided.

Dissident Wang Dan 'Under Virtual House Arrest'

Faxes Statement to Police

HK3108030894 Hong Kong AFP in English 0255 GMT 31 Aug 94

[Text] Beijing, Aug 31 (AFP)—Former Chinese dissident leader Wang Dan said Wednesday that he had been placed under virtual house arrest after attempting to file a complaint at a Beijing court over police harassment.

Wang, who was picked up and interrogated for 12-hours Saturday by police who ordered him to desist from all protest activities, said he had been prevented from leaving his house by public security personnel. "I went downstairs this morning at around 8:30 a.m. (0030 GMT) and was stopped by six or seven plainclothes police," Wang said by telephone.

"I told them that I intended to file a complaint about the way I have been harassed in recent months and they told me I couldn't leave," added Wang, one of the leaders of the 1989 pro-democracy movement.

Since the fifth anniversary on June 4 of the Tiananmen Square massacre, Wang has been under continual police surveillance, both at home and in the streets. Despite embarking on several symbolic hunger strikes to protest against the harassment, Wang said the situation had worsened in recent weeks.

In a faxed statement to the foreign press last week, Wang had said he was ready to go to prison if the police surveillance was not called off. On Saturday afternoon, he was taken from his home by public security personnel, and held for 12 hours. "They detained me to tell me to keep quiet but I told them it was out of the question," Wang said after his release.

His brief detention coincided with the arrival here of U.S. Commerce Secretary Ron Brown, the most senior U.S. cabinet official to visit Beijing since President Bill Clinton decided in May to delink the renewal of China's most favoured nation (MFN) trade status from the issue of human rights.

Brown left for Shanghai Tuesday, hailing the success of the Clinton administration's new policy of "commercial diplomacy" with China, which he credited with prompting Beijing to resume a stalled Sino-U.S. dialogue on human rights.

Arrested during the crackdown that followed the brutal suppression of the 1989 democracy movement, Wang was sentenced to five years imprisonment, but released in early 1993 as part of a charm offensive to bolster Beijing's unsuccessful bid to host the 2000 Olympic Games.

Wang said Wednesday that the police presence outside his home had now made it impossible for him to leave, even to buy food.

By contacting the foreign media, Wang said he hoped his case would be brought to the attention of the United Nations.

Further on Wang Dan

HK3108041094 Hong Kong AFP in English 0350 GMT 31 Aug 94

[Excerpt] Beijing, Aug 31 (AFP)—Former Chinese dissident leader Wang Dan was picked up by police for questioning Wednesday, for the second time in five days,

relatives said. "A policeman came to the house at 11.00 a.m. (0300 GMT) and said they were taking him away for a talk," a family member said by phone, adding that no indication was given of when he would be released.

Earlier in the day, Wang said he had been placed under virtual house arrest after attempting to file a complaint at a Beijing court over police harassment. [passage omitted]

Official Comments on Anti-Corruption Work, IACC

OW3008144194 Beijing XINHUA in English 1358 GMT 30 Aug 94

[Text] Beijing, August 30 (XINHUA)—China's procuratorates nationwide investigated 20,000 embezzlement and bribery cases in the first half of this year, a dramatic increase of 81 percent over the same period of 1993, a senior judicial official said today.

"This showed the strengthened efforts by the Chinese Government and procuratorial bodies to combat corruption," said Liang Guoqing, deputy procurator-general of the Supreme People's Procuratorate (SPP).

He was speaking at a press conference for the seventh International Anti-Corruption Conference (IACC) to be held here next year.

Although admitting that economic crimes in China "have reached a very serious stage," he claimed that the Communist Party officials and government functionaries "on the whole are clean and honest."

According to SPP statistics, only four to five out of 10,000 party and government officials committed economic crimes in the 1991-1993 period.

Liang also cited the fast-growing national economy and stable social order in the country as "strong evidence" of his claim.

As vice-chairman of the Organizing Committee of the IACC, Liang said the Chinese Government and the judicial organs will continue to crack down on economic crimes, since they are detrimental to China's reform and opening up efforts.

The drive will especially target officials in party, government, judicial, law enforcement and economic management departments, Liang said.

Another vice-chairman of the IACC organizing committee, Vice-Minister of Supervision Li Zhilun said that in addition to a complete anti-corruption mechanism, China is stepping up its efforts to establish a comprehensive legal system to tackle corruption.

An anti-corruption law is being drafted by the SPP. In addition, in the making are a supervision law and a legal regulation to register and publicize the property and income of party and government officials.

These are expected to be enacted by the end of 1996, Li said.

China is also looking forward to increasing international co-operation, especially with its bordering countries and regions, in anti-corruption. The seventh IACC, to be held October 6-10, provides a good opportunity for future cooperation.

The coming IACC will focus on "anti-corruption versus social stability and development," in which 12 subjects, including the characteristics of corruption and its control, will be discussed.

Correction to Three Dissidents Receive Prison Sentences

HK3008033194

The following correction pertains to the item headlined "Three Dissidents Receive Prison Sentences," published in the 29 August China DAILY REPORT, page 33:

Column one, sourceline, make read ...Hong Kong MING PAO in Chinese 27 Aug 94 p a2... (correcting date, page number)

Paragraph two, second, third sentences, make read ...Peizhong, both 24. All of the three had been charged with counterrevolutionary crimes. Nothing was said... (rewording)

Science & Technology

Xichang Launch Station Workers Praised

OW3108000594 Beijing XINHUA Domestic Service in Chinese 0712 GMT 29 Aug 94

["Newsletter" by XINHUA correspondent Meng Lingjun (1322 0109 6511) and XINHUA reporter Li Xiuqing (2621 4423 3237): "Spending Night and Day at Satellite Launch Site—on Officers and Men at Launch Station in Xichang Satellite Complex"]

[Text] Xichang, 29 Aug (XINHUA)—"Optus B-3" was launched successfully. Some people asked officers and men at the launch station of the Xichang Satellite Launch Center: What kind of reward do you want most? They said: A few days off so that we can get some sound sleep. Their blood-shot eyes and leaden and gaunt faces spoke volumes about their fatigue.

The launch station was an advanced unit which, as a collective, had been awarded a first-class merit citation by the Central Military Commission. During each mission, they completed the entire process of transporting the satellite to the launch site and testing, fueling, igniting, and launching the rocket. This year, they have been kept particularly busy by a spate of satellite launches. From 1984 to 1993, they accomplished missions of test-launching 15 carrier rockets. Their missions this year account for almost one-half of the missions over the past decade. Besides, they had to work with different

models, with several launches scheduled for a given period. The difficulties faced by a team structured to launch only one rocket in a given period can be easily imagined. Nevertheless, they made clever plans and sound arrangements for training people in several skills and putting them to work on several jobs simultaneously, thus accomplishing all missions in a methodical, intense, and orderly manner, and demonstrating their prowess as a heroic collective.

On 11 July, when preparations for launching "AsiaSat-1" on the "Long March-3" rocket were in full swing, "Optus" arrived at the Xichang Airport from the United States, and thereafter, the "booster-reinforced Long March-2" also arrived from Beijing after a long journey. A special train carrying liquid hydrogen was also scheduled to arrive. Like "fastidious guests," all these high-technology products could not be neglected even for a moment. The officers and men fanned out and managed to complete such diverse missions in a single day. A group of "craftsmen with uncanny skills" went to places where they were needed and displayed their prowess. They included Zhang Yougui, the driver who drove the "Optus"-carrying truck with such steadiness that even six empty pop-top cans stacked on top of the truck would not have fallen off; Ma Yinqiu, the operator of rocket-hoisting equipment who could use a large crane to lift a pencil and drop it into a beer can with great precision; and Zhang Jukui, the assembly expert who could assemble rocket parts with magical dexterity.

Space aviation is a rather risky venture. The launch station is on the crest of the wave represented by this venture. Rocket fuelers are said to have the courage to take on "devils" because rocket fuel is a flammable, explosive, and highly poisonous substance. While undertaking fuel operations for the launch of the first "Optus," young fuelers Wang Jinghui and Tao Yongchun, with a view to ensuring the rocket's safety, sacrificed their precious lives trying to locate missing pieces from a turbine blade in the flow gauge. These two young fuelers' names will forever be etched in the history of successful launches of "Optus."

During the final moments of the launch of "Optus B-3," people could hear the word "ignition" shouted in awe-inspiring commands. The commands were given by Zhang Huafang, deputy director of the launch station codenamed "01 Commander." This 37-year-old man has made selfless contributions to organizing one launch after another. His parents are in Guizhou while his wife and children are in Shanghai. In recent years, he brought his children to the place of the launch site to attend school because his wife was unable to care for them. When he was too busy at the launch station to go home, he had to contact his children, who are 15 km away, by telephone from the launch site. His mother and wife came to the launch site recently, for a rare reunion occasioned by the Optus launch. On his birthday, his family prepared food and drinks and waited for him from dinner time until sometime after 0100 the next day.

The mountain creek at the launch site thus became a Milky Way [a bridge for reunions] on the earth.

Beijing 'Widely Using' Remote Sensing Research

OW3108051394 Beijing XINHUA in English 0434
GMT 31 Aug 94

[Text] Beijing, August 31 (XINHUA)—China is widely using the technology of remote sensing in the fields of prospecting, agricultural survey, weather forecasting, disaster monitoring and city planning.

Experts say that China has grown to a leading position in the world in the research and application of remote sensing technology.

Chinese remote sensing specialists, who had to be lectured on remote sensing by foreigners only a decade before, are now invited to give lectures themselves at international conferences on the subject. They even offer training on the subject for people from all over the world.

In fact, remote sensing has been able to play an important role in all fields of activity in the country.

In late July, a plane carrying a remote-sensing simultaneous processing system flew over south China's Guangdong Province and the Guangxi Zhuang Autonomous Region to monitor floods. The data gathered by the system provided scientific evidence for the central and local authorities to organize flood-fighting.

The system, first put into use this summer, "is the world's most sophisticated means of the kind for disaster monitoring, able to work day or night and in all weather, and automatically transmits data to ground stations for simultaneous display and processing while pinpointing threatened sites at any particular moment."

The system, built by the National Remote Sensing Center (NRSC) under the State Science and Technology Commission in 1991, represents the successes of China's efforts in the research and application of remote sensing technology.

Facing serious problems of excessive population growth, a shortage of resources and a deteriorating environment, the remote sensing center, founded in 1981, focused on studying the application of remote sensing technology in resource surveys, environmental changes, and disaster predication and monitoring.

In 1991, China and Australia cooperated in carrying out a test of heat insulation over the city of Darwin. The Chinese side began to display data three hours after the test started. The Australian side, which expected to receive the result in 10 days, showed great admiration China's remote sensing technology.

China made notable achievements in the development of remote sensing instruments. The remote sensing picture processing system jointly made by China and Finland has taken a hold in the European market.

The remote sensing transducers produced by China also attracted buyers from Australia and Japan.

Chinese remote sensing experts and scholars have won a name in the world. He Changchui, former chief of the Chinese center, was appointed chief of the remote sensing program of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP).

Chinese remote sensing technicians also give their helping hand to foreign countries. Experts in the field helped Bangladesh draw maps of flooded areas and monitor floods by using Chinese technology of remote sensing.

China has sent nearly 70 experts of remote sensing to the United Nations and different countries in recently years. Experts from Australia, Canada and other nations seek Chinese experts for cooperation.

CAS Institute, Other Units Hold INTERNET Seminar

OW3108004994 Beijing XINHUA Domestic Service in Chinese 0754 GMT 29 Aug 94

[By reporter Zhong Yuanzhen (6988 0337 6297)]

[Text] Beijing, 29 Aug (XINHUA)—The Chinese Academy of Sciences [CAS] High-Energy Physics Institute and other relevant units recently cosponsored an INTERNET seminar to discuss and exchange experiences in using INTERNET functions.

The CAS High-Energy Physics Institute set up a 64 K bits per second high-speed computer communication line and linked up with the international computer network for the first time in 1993, and formally joined the INTERNET last May. As a pioneer, the institute has already provided INTERNET services to more than 500 project officials and senior researchers of some 200 schools of higher learning and research institutes throughout the country, ensuring the implementation of several hundred international cooperation research projects and promoting China's scientific and technological exchanges with other countries.

It is understood that the CAS "network center," located at the Zhongguan Village, also set up a 64 K bits per second circuit and linked up with and entered the INTERNET in June 1994, thereby enabling CAS institutes in the Zhongguan Village and Beijing and Qinghua Universities' campus networks to link up with the INTERNET through this circuit. Meanwhile, entrusted by the State Education Commission, Qinghua University is preparing to set up a national university network. This is a big stride taken in the reform, opening up, and international linkup by China's science and technology education, and it will certainly promote rapid development in China's undertaking of science and technology education.

Economic & Agricultural

National Meeting To Discuss Sending Trainees to ROK

SK3008035694 Jinan DAZHONG RIBAO in Chinese 18 Aug 94 p 2

[Text] The national meeting on sending trainees to the ROK was held in Jinan from 16 to 17 August. Attending the meeting were 48 international corporations from across the country. Wang Wensheng, assistant to the minister of foreign trade and economic cooperation, attended and addressed the meeting.

The meeting's participants discussed the management of trainees sent to the ROK. They enhanced their understanding, reached identical views, and laid a foundation for further cooperating in sending trainees to the ROK in the future.

The meeting demanded: Corporations conducting trainee service in the ROK must obtain the approval of the Ministry of Foreign Trade and Economic Cooperation. The trainees sent by these corporations should be chosen through strict examination, and should be subject to strict training. The training content and requirements should conform with the training stipulations of the Ministry of Foreign Trade and Economic Cooperation. Trainees may not be sent out until they obtain training certificates. From now on, efforts should be made to improve the expertise of the trainees sent to the ROK in a bid to do the work in an even better manner.

'Tough' Measures To Combat Tariff Evaders

OW3008161294 Beijing XINHUA in English 1559 GMT 30 Aug 94

[Text] Fuzhou, August 30 (XINHUA)—China is taking tough measures to curtail the rise in tariff evasion, official sources said here today.

In the first half of this year the Chinese customs intercepted 18,268 cases of intended duty evasion nationwide, valued at 670 million yuan (about 90 million U.S. dollars), Deputy Director of the General Administration of Customs Wu Naiwen told a national customs conference.

Wu said that some of the evaders made false reports on the prices of their imports to the customs in order to pay less duty.

Some others took advantage of the differences in various preferential policies between different areas and tried to deceive the customs as to the destinations and purposes of their imports.

Wu said that his administration has tightened control of import checks to prevent duty evasion.

The right to approve duty deduction and exemption has been tightened, while the customs bureaus in different

cities have strengthened co-operation on supervising import movements, Wu said.

Wu said that his administration will focus on fighting against duty dodgers in the latter months of this year and safeguarding the legitimate tariff revenue of the central government.

In the first seven months of this year tariffs collected by the Chinese customs totaled 16.403 billion yuan (about 14 billion U.S. dollars), a seven-percent increase over the same period of last year, according to Wu.

Beijing Lifts Restrictions on Border Trade

HK3108082394 Hong Kong LIEN HO PAO in Chinese
4 Aug 94 p 2

[Special dispatch: "Ministry of Foreign Trade and Economic Cooperation Implements More Lax Policy for Border Trade"]

[Text] Beijing, 3 Aug (LIEN HO PAO)—Not long ago, the Ministry of Foreign Trade and Economic Cooperation (MOFTEC) advanced the "Opinions on Vigorously Developing Border Trade and Economic Cooperation So As To Promote Prosperity in the Border Area," further lifting restrictions on border trade.

1. MOFTEC is responsible for granting licenses to companies engaged in border trade. Markets trading with neighboring countries can be set up and management rules formulated by provinces or autonomous regions in the border area under a unified plan.

2. Up to the end of 1995, commodities—other than those banned by the state, such as foreign machinery, electrical appliances, tobacco, wine, and cosmetics—which are imported through designated ports by border trade companies licensed by MOFTEC, are exempt from 50 percent of customs duty and product tax.

3. Within the planned quota approved by MOFTEC, border trade companies are allowed to export a small quantity of commodities of the second and third categories.

4. Within the quota stipulated by the state, the cooperation projects to be jointly launched by domestic and foreign border areas must be submitted to provincial or regional economic departments for approval.

5. In the area where the relevant countries have reached an agreement on border passage control, people are allowed to enter and exit repeatedly if they hold a passage permit; for those areas without such an agreement, a passage permit valid for multiple travels in one year can be issued.

Customs Department Cracks Down on Steel Smuggling

OW3008161794 Beijing XINHUA in English 1606
GMT 30 Aug 94

[Text] Beijing, August 30 (XINHUA)—The Chinese customs have tightened control of steel imports, and netted 76,000 tons of smuggled steel in the first half of this year.

According to the General Administration of Customs, the seizures were valued at 223 million yuan (about 26 million U.S. dollars).

Some businesses import steel by using counterfeit documents, stamps and signatures, while others make false reports concerning their steel imports in order to apply for tariff exemption.

The administration said that as foreign-funded firms are exempted from import duties on raw materials for production purposes, some people import duty-free steel and then resell it on the domestic market at a profit in the name of such enterprises or in name of special economic zones. The latter can also import duty-free raw materials if they are used within the zones.

The customs will confiscate such steel imports, the administration warned.

State Enterprises Promote Use of Bankruptcy System

OW3008061194 Beijing XINHUA in English 0459
GMT 30 Aug 94

[Text] Beijing, August 30 (XINHUA)—North China's Liaoning Province will announce bankruptcy of 10 large and medium-sized state-owned enterprises to promote the establishment of a bankruptcy system.

More than 19,000 workers, including 7,326 retired, are involved in the ten enterprises with assets worth 527 million yuan but debts amounting to 841 million yuan.

Liaoning is one of the first provinces in China to try the bankruptcy system.

Among the 50 enterprises have already gone bankrupt, and 7,000 of the 7,800 workers in the 50 enterprises have shifted to new jobs, with the rest now living on unemployment relief funds.

Besides, retirement pension has been distributed to the retired workers.

Liaoning and Sichuan, a province in southwest China, are working to help improve the Bankruptcy Law to make it more operational.

Bankrupt Enterprises Endanger Banks' Credibility

OW3108053494 Beijing XINHUA in English 0516
GMT 31 Aug 94

[Text] Beijing, August 31 (XINHUA)—Banks are the largest sufferer from enterprise bankruptcy, a government document notes.

Based on a joint survey of enterprise bankruptcy in five Chinese provinces, the document is jointly issued by the State Economic and Trade Commission, the Law Affairs Office of the State Council, the China Industry Economic Association and a Beijing-based consultancy office.

As 60-70 percent of the country's bank credit funds come from individual savings, banks will lose their credibility if they lose too much in compensating bankrupt enterprises, the document warns.

Since the country's first bankruptcy law took effect on November 1, 1988, at least 948 enterprises have applied for bankruptcy in northeast China's Heilongjiang and Liaoning Provinces, southwest China's Sichuan Province, central China's Hubei Province and east China's Jiangxi Province, the document reveals.

Some 86.36 percent of the bankruptcy cases were reported in the past three years.

According to the document, some local governments have earmarked 15,000 to 20,000 yuan, about three to four years' income of an average Chinese worker, for each worker displaced by bankrupt enterprises as a redeployment relief.

More than 90 percent of the unemployed workers were happy with such arrangement, the document says.

Industrial, Commercial Bank To Strictly Control Credit

HK3108061294 Beijing CHINA DAILY in English 31 Aug 94 p 2

[CD News: "Major Bank To Enforce Loan Quotas"]

[Text] The Industrial and Commercial Bank of China (ICBC), one of the largest banks in the country, requires all of its branches to tightly control their credit in the rest of this year.

No branch will be allowed to break the loan quotas set by the headquarters, according to a news release yesterday.

The move answers the call of the State Council and the People's Bank of China to curb inflation, the release said.

China's consumer prices, a major indicator of inflation, increased by 22.4 percent in the January-July period over the same period last year.

Meanwhile, the bank will concentrate its funds on supporting development of enterprises with good efficiency, especially large and medium-sized State firms.

In the first half of this year, the bank loaned a total of 67.3 billion yuan (\$7.86 billion) to industrial and commercial firms.

Beijing Trying To Maintain Stable Nonstaple Food Market

OW2708090694 Beijing XINHUA in English 0733 GMT 27 Aug 94

[Text] Beijing, August 27 (XINHUA)—Chinese governments at all levels are taking measures to insure the supply of non-staple foods on the market and stabilize their prices, according to the PEOPLE'S DAILY today.

Major non-staple foods have been in short supply in the last few days, and their prices were going up.

The Ministry of Internal Trade has started to put a large amount of sugar from its reserves on the markets in big cities.

In Beijing, commercial departments are trying to supply more meat, edible oil and vegetables.

In Shanghai, state-run vegetable businesses provide 30 percent of the vegetables consumed in the city so as to control their prices.

Farmers in Tianjin, north China, supply 350,000 kg of vegetables for the six urban districts every day and the municipal government makes arrangements for commercial units to organize additional supplies from other parts of the country.

In flood-hit Liaoning, Jilin and Guangdong Provinces, local governments have organized enough supplies of foods and articles for daily use.

State Council Holds News Conference on Basic Farmland

OW3108024694 Beijing XINHUA Domestic Service in Chinese 0939 GMT 29 Aug 94

[By RENMIN RIBAO reporter Xia Jun (1115 8823) and XINHUA reporter Lu Yongjian (7773 3057 1696)]

[Text] Beijing, 29 Aug (XINHUA)—On 29 August in Beijing, the State Council Information Office held a news conference, with the attendance of Chinese and foreign reporters, on the promulgation of the "Basic Farmland Protection Regulations." Zou Yuchuan, director of the State Land Administration Bureau, said at the news conference: The promulgation of the "Regulations" indicates that China has put the protection of basic farmland under legal administration.

In answering reporters' questions, Zou Yuchuan said: The "Basic Farmland Protection Regulations," which will be enacted on 1 October, stipulate that local governments must delimit basic farmland protection areas and provide special protection to the arable land in the areas. The "Regulations" clearly provide that the occupation of first-class basic farmland under 500 mu requires the examination and approval of provincial governments, and of the State Council if over 500 mu. The "Regulations" also demand the establishment of a system for compensating the losses caused to basic farmland, a system for maintaining soil fertility and protecting the environment, a system for supervising and inspecting basic farmland protection areas, and the definition of governments' responsibility for protecting basic farmland.

Zou Yuchuan said: China has been searching for special ways to protect arable land since 1988. Presently, 28 provinces have begun delimiting basic farmland protection areas, and roughly 40 percent of arable land is under

protection. The nine provinces of Hebei, Zhejiang, Shanxi, Shandong, Jiangsu, Hubei, Jilin, Guizhou, and Guangdong have basically completed the delimitation. He called for close coordination of governments at all levels and departments concerned to conscientiously publicize the "Regulations," accelerate the delimitation of basic farmland protection areas, and carry out the responsibility system of protection to the letter.

In answering reporters' questions, Vice Agriculture Minister Wan Baorui said: A large population, less arable land, and insufficient arable reserves are the basic conditions in China. The enactment of the "Regulations" will be conducive to slowing down the rate of arable land loss and maintaining the arable land at the level of one mu for each person. The promulgation of the "Regulations" will also prevent the farmland of 20 million rural work forces from being left unattended, while they are engaged in industrial and commercial activities in town today.

Xu Yulin, deputy director of the State Council Bureau of Legislative Affairs, attended today's news conference, which was presided over by Li Yuanchao, deputy director of the State Council Information Office.

State Grain Purchase Situation 'Gratifying'

OW3008152994 Beijing XINHUA in English 1507 GMT 30 Aug 94

[Text] Beijing, August 30 (XINHUA)—The situation of the state grain purchase is "gratifying", according to officials at the State Grain Reserve Administration.

The officials said that 93 percent of the grain buying plan for early rice this year has been completed. The total early rice bought by the state reached 6.52 million tons, 3.31 million tons more than in the same period of last year.

The estimated purchase of winter and spring wheat this year is expected to reach 30 million tons, slightly up over last year, according to the officials.

They attributed the growing purchase to the efforts governments at all levels have made to take steps to help farmers fight natural disasters and to protect the farmers' interests by lifting grain purchase prices by a big margin while issuing grain subsidies to farmers.

According to the officials, there have been no "IOU"s issued to farmers in lieu of payment for their grain this year.

Government To Spread High-Output Rice Cultivation Technique

OW2908093694 Beijing XINHUA in English 0902 GMT 29 Aug 94

[Text] Beijing, August 29 (XINHUA)—China plans to spread cultivation techniques of high-output ratooning rice to make up for the early rice failure caused by the

waterlogging in southern provinces, according to the SCIENCE AND TECHNOLOGY DAILY.

The plan has been worked out at the national ratooning rice cultivation meeting held by the ministry of agriculture early this month in Changsha, capital of Hunan Province.

Ratooning rice capitalizes on the sunlight, warmth and fertilizer remaining after the first cropping, and the advanced cultivation techniques can help raise the multiple-cropping index so as to increase the output with low payment.

Hunan grew 53,000 ha of ratooning rice last year, and got a harvest in 62.5 percent of the acreage in spite of serious waterlogging and other calamities.

There appeared a large quantity of land which yielded over 4,500 kg per ha.

Ministry Releases Figures on Power Generators

OW3108113794 Beijing XINHUA Domestic Service in Chinese 0852 GMT 29 Aug 94

[By reporter Wang Yingchun (3769 6601 2504)]

[Text] Beijing, 29 Aug (XINHUA)—This reporter has learned from the Ministry of Power Industry's first meeting to release the reliability indexes of major electric power facilities today: The equivalent availability coefficient [deng xiao ke yong xi shu 4583 2400 0668 3938 4762 2422] of China's 200,000-kw thermal power generators has risen significantly to the level of North American countries since 1988, whereas those of 300,000-kw and 600,000-kw units, which China plans to develop vigorously in the future, are still quite far below the international level.

Reliability indexes indicate the comprehensive level of the design, manufacture, installment, operation, and maintenance of power facilities. They have been adopted by various countries of the world since the 1980's for their scientific nature and transparency. China launched a pilot scheme on the management of power reliability in early the 1980's and set up a power reliability management center in 1985 to promote and carry out reliability management work in an all-around way. Having absorbed the advanced experiences from international power industries and taken the characteristics of China's electric power sector into consideration, China has set up a reliability management system which adheres to the principle of "giving priority to safety and emphasizing prevention" in the entire process from planning and design to equipment manufacturing, construction, installation, production, and operating.

The indexes released at the meeting show: The equivalent availability coefficient of China's 200,000-kw thermal power generators has climbed from 75.96 percentage points in 1988 to 84.45 percentage points in

1993—the level of North American countries. If calculated on the basis of the indexes of China's installed 149 200,000-kw units in 1993, it is estimated that China has increased by 14.68 200,000-kw units. This indicates that power departments have strengthened their equipment management in a down-to-earth manner and have achieved a certain economic efficiency in stepping up technical transformation and promoting safe and civilized production over past years.

According to the released indexes, China will strive to build more 300,000-kw and 600,000-kw units in the future. Their equivalent availability coefficients in 1993 are 76.47 and 63.65 percentage points, respectively—quite below the international level. This involves problems of manufacturing quality as well as operating levels.

In addition, the information provided by the Ministry of Power Industry's electric power reliability management center shows: Among the units imported by China, the 250,000-kw and 350,000-kw units, with their equivalent availability coefficients at 94.25 and 87.60 percentage points, respectively, are the most successful and have brought about better investment efficiency.

The availability coefficient of the domestic 500-kilovolt transformers released at this meeting is not high, mainly due to the problem of manufacturing quality. The Ministry of Power Industry urged manufacturers to take measures for improvements to meet the needs for developing the power industry.

Yunnan, Guizhou, Guangxi Cooperate in Transportation

OW2908125994 Beijing XINHUA in English 1204 GMT 29 Aug 94

[Text] Nanning, August 29 (XINHUA)—Southwest China's Yunnan, Guizhou Provinces and Guangxi Zhuang Autonomous Region are cooperating to speed up transportation construction.

Obvious progress has been made in construction of railway, highway, waterway, and air route in these provinces and region, which had been since long known for poor conditions of transportation.

Two international airports and some ten domestic airports are under construction in the provinces and region. Yunnan plans to open air routes from capital city of Kunming to its eight prefectures before 1995.

Aiming at connecting their inner areas with coastal cities, the provinces and region have started some key

railway construction projects, such as the railways from Kunming to Nanning, capital of Guangxi, and from Nanning to Beihai, a southern port city in Guangxi.

Meanwhile, the provinces and region have jointly invested 200 million yuan in highway construction. Over 100 routes for cargo and passenger transportation are newly opened, totalling about 20,000 km.

Border province of Yunnan also has achieved success in trial transportation from Lancang River to the Mekong, to reach Laos, Myanmar [Burma], and Thailand.

Light Industry Sector Said Growing Steadily

OW2708025394 Beijing XINHUA in English 0156 GMT 27 Aug 94

[Text] Beijing, August 27 (XINHUA)—The total output of China's light industry in the first six months of this year reached 937.3 billion yuan (about 109 billion U.S. dollars), an increase of more than 20 percent over the same period of last year.

"Production and exports of major light industry products have grown steadily," Fu Limin, vice-chairman of the National Council of Light Industry, told a press conference here Friday [26 August].

Fu said that the output of 18 out of 22 key light industry products is growing, of which household electronics are in the lead. The production of watches, and daily-use aluminum and plastic items is now picking up speed after years of decline.

According to statistics, 2.46 million air-conditioners were produced in China in the first six months of this year, which is 44 percent more than in the same period of last year.

Over four million refrigerators, about 33 percent more compared with the same period of 1993, were manufactured. The production of freezers, vacuum cleaners and electronic cookers also experienced large increases.

About 92 percent of all light industrial products sold out in June due to the steadily growing market for consumer products, especially in the countryside.

By the end of June this year China had exported light industrial products worth 10.4 billion U.S. dollars—a 29 percent increase over 1993.

The export of machinery and electronic goods grew 37 percent compared to the same period of last year.

China's light industry makes up one third of the nation's total industrial output.

East Region

East China To See New Population Growth Trend

OW3108081294 Beijing XINHUA in English 0802
GMT 31 Aug 94

[Text] Beijing, August 31 (XINHUA)—As a densely populated region, east China will see a new trend of population growth in the coming years, according to experts.

East China plays an important role in the national economy, and as a result, the trend of its population growth produces an equally important impact on the whole nation's well-being.

East China, including Shandong, Jiangsu, Zhejiang, Fujian, Anhui, Jiangxi Provinces and Shanghai City, is the most populated region in China. In 1993, the density of population in this region had reached 497 people per square kilometer.

In 1993, there were 4.87 million babies born in east China, accounting for 22.84 percent of the 21.32 million national total.

The net growth of population in east China was 2.72 million in 1993, accounting for 20.21 percent of the total increase in the nation.

Among the six big regions in China, however, east China has the lowest birth rate, which was 14.28 per thousand in 1993. Shanghai had a birth rate of only 6.5 per thousand, the lowest in China.

Over the years, east China has been taking a gradually decreasing proportion in the nation's total population. The figure at the end of last year was 28.89 percent, a percentage point lower than in the 1960's.

It is predicted that the population growth in east China will be characterized with a low birth rate, low death rate and low growth rate in the coming years.

By the end of this century, the natural growth rate of population in the six provinces and Shanghai City will all be under 10 per thousand, experts said.

High-Tech Enterprises Booming in Anhui Capital

OW3108041294 Beijing XINHUA in English 0308
GMT 31 Aug 94

[Text] Hefei, August 31 (XINHUA)—The number of technology-intensive enterprises opened by non-governmental sectors has reached 300 in this capital city of east China's Anhui Province, making an economic return of one billion yuan a year.

Local officials said that the enterprises, employing more than 4,000 people, have served as a major force behind the growth of the city's economy.

The officials attributed the mushrooming of such enterprises to government preferential policies and the advantage of Hefei as one of China's four scientific and educational centers.

The Dongfeng Telecommunications Co. Ltd, set up early last year, has successfully designed two models of program-controlled digital switchboards, which have won technical approval from the state Postal and Telecommunications Ministry.

So far the company has set up offices in Beijing, Guangdong and Guangxi, and its products sell well in China.

The patent for a new ultrasonic data processing system developed by the Wanguo Health Care Technological Co. Ltd was recently sold for more than one million yuan.

The Wyan Electronics Co. Ltd, a joint venture with the United States and the Republic of Korea, has developed an all-functional compact-disc video karaoke machine, which has edged into the international market.

The Guobao Computer Firm, a two-year-old high-tech enterprise set up by Wang Zhaojun, a bread pedlar, has developed into a corporation with a dozen technology-intensive enterprises.

Anhui Accelerates Development of Yangtze Valley

OW3108053394 Beijing XINHUA in English 0459
GMT 31 Aug 94

[Text] Hefei, August 31 (XINHUA)—East China's Anhui Province, with its major economic belt running along the Chang Jiang River, is accelerating economic development in the Chang Jiang River valley by intensifying infrastructure construction and readjustment of industrial structure.

According to provincial sources, the gross national product (GNP) in areas along the river, jumped by 17.3 percent in the four years from 1990 to 1993, which approaches the average level in the 1980s for Suzhou, Wuxi and Changzhou, a flourishing golden triangle in east China's Jiangsu Province.

In the first seven months of this year, the areas along the river have scored new increases in industrial and agricultural production, national income and revenues and are expected to produce 50 billion yuan in GNP this year.

Since China announced the opening of the Pudong New Area in Shanghai in 1990, Anhui has mapped out its development strategy with the Chang Jiang River area as its focus. The four cities of Anshan, Wuhu, Tongling and Anqing have entered the fast development track along with Hefei, the provincial capital and Huanshan, a well-known tourist resort.

Over the past three years, the province has invested 20 billion yuan in the construction of a number of key

infrastructure projects like the Xuancheng-Hangzhou railway, known as east China's second thoroughfare.

The Hefei-Jiujiang railroad has extended eastward to Anqing, making it a major line along the Chang Jiang River.

Modern highways are being built from Hefei to Wuhu and from Wuhu to Nanjing after the Hefei-Nanjing highway opened to traffic a year ago.

By now, Wuhu Port has opened to foreign ships. Vessels from over ten countries anchor in the harbor. Airport construction in Wuhu and Anqing and a number of power stations in Wuhu, Maanshan and Tongling are aimed to forming a modern communications network of highways, railways, water and air transportation systems.

At present, the province is busy with the preparation for building more power and construction materials projects. By 2000, the province's Chang Jiang River areas are expected to produce six million tons of iron and steel, 200,000 tons of copper and 50,000 tons of polypropylene.

With the improvement of modern infrastructure, the Chang Jiang River areas in the province have become a hot place for foreign investment. Since 1992, multinational consortia such as Merrill Lynch group, a U.S. securities company, ABB of Sweden and Japan's Sony have invested 1.2 billion U.S. dollars.

In the first half of the year, the areas earned 100 million U.S. dollars in exports.

Anhui Customs Helps Overseas-Funded Enterprises

OW2708021194 Beijing XINHUA in English 0116
GMT 27 Aug 94

[Text] Hefei, August 27 (XINHUA)—The Customs Bureau of east China's province of Anhui has enacted a series of new measures in support of overseas-funded enterprises. They are as follows:

- Letting people get better acquainted with the country's customs policies and helping overseas-funded enterprises get a better understanding of preferential customs policies.
- Raising efficiency and providing quicker service for overseas-funded enterprises.
- Exempting from tariffs certain import equipment, spare parts and daily necessities used by the overseas-funded enterprises.
- Helping overseas-funded enterprises set up bonded factories and warehouses.
- Drawing up preferential policies to encourage enterprises which produce primary products to engage in further processing.

More School Dropouts Return to School in Anhui

OW3108041194 Beijing XINHUA in English 0314
GMT 31 Aug 94

[Text] Hefei, August 31 (XINHUA)—More than 20,000 dropouts in east China's Anhui Province have returned to school as the new school year begins, according to officials of the province's "Hope Project" office.

More than 50,000 children in Anhui will be helped back to school by the end of this year, the officials said.

Anhui is one of the earliest provinces to carry out the "Hope Project" which was launched in 1990. Many celebrities, including Gu Chaohao, former president of the Chinese University of Science and Technology, Lu Rongjing, secretary of the provincial committee of the Communist Party of China, and State Councillor Peng Peiyun, made donations to the project in Anhui.

The Tianjin Municipal Committee of the Communist Youth League helped build three primary schools in Anhui. People of the Xinjiang region and Zhuhai City each helped build a primary school. The Pingan Insurance Company donated 500,000 yuan, which helped 1,000 dropouts back to school and build a primary school.

Many overseas organizations and personnel also joined efforts to help the children. A unit in San Francisco of the United States helped build the first "Hope" primary school in China. Donations also came from Hong Kong, Taiwan, UNICEF and Britain. More than two million yuan were collected in four years, which were spent on helping 25,758 dropouts back to school and building 26 primary schools.

Jiangxi Governor Views Enterprise Work

HK3008123594 Nanchang Jiangxi People's Radio
Network in Mandarin 1100 GMT 22 Aug 94

[Text] A provincial conference on exchanging industrial enterprises' experiences in turning losses into profits and practicing "double increase, double reduction" was convened in Nanchang today.

The conference was primarily held to relay the spirit of a recently concluded national conference on turning enterprise losses into profits, to sum up and exchange enterprises' experiences in turning losses into profits and practicing "double increase, double reduction," and to further mobilize the broad masses of cadres, staff, and workers on the province's industrial and communications front to more resolutely turn losses into profits, to make every possible effort to reduce losses and increase profits, and to comprehensively fulfill this year's industrial and communications production quotas.

This morning's session was attended by a number of provincial leaders, including [Governor] Wu Guanzheng, Zhu Zhihong, Lu Xiuzhen, Shu Shengyou, Shu

Huiguo, [Vice Governor] Zhang Yunchuan, and Zhu Yingpei, provincial people's government secretary general.

Shu Shengyou presided over this morning's session, at which Wu Guanzheng delivered an important speech and Zhang Yunchuan delivered a work report.

In his speech, Wu Guanzheng emphatically said: As turning losses into profits is a key link in the province's enterprise work, the province's enterprises should conscientiously analyze the current situation, should study and work out the relevant countermeasures, should enhance understanding, should strengthen leadership, and should respect, value, rely on, be strict with, and give full play to the abilities of qualified personnel. They need to unfold a "production quotas attainment emulation" throughout the province, implement a relevant responsibility system under which workshops, production groups, and individual workers are assigned specific production quotas and are paid bonuses and wages in accordance with their performance, and push the ongoing "double increase, double reduction" campaign into a new stage.

The province's enterprises should vigorously open up new markets for stockpiled products with a view to speeding up capital circulation and raising the capital utilization rate, should reinforce both key and weak links, and should assist and enable large profit-making enterprises to make more profits. They must enable large loss-making enterprises to further cut down on losses, must strengthen enterprises management—this being a weak link—must rationally distribute funds, personnel, and equipment, and must increase the equipment utilization rate, rationally dispose of production materials, and energetically reduce materials consumption.

Wu Guanzheng went on: We should vigorously press ahead with the province's enterprise reform and should become more determined than ever to close, suspend, and merge a series of enterprises or shift lines of production for some enterprises by declaring them bankrupt or by auctioning, merging, and leasing those enterprises. We should earnestly rely on technological progress, select and build a number of good technological renovation projects, speed up the pace of technological renovation, increase the rate of capital return, and raise the technological level of the products.

In his speech, Zhang Yunchuan first and foremost summed up the province's achievements and experiences in turning industrial and communications enterprises' losses into profits. He then pinpointed a number of existing problems, analyzed the current situation, and urged the broad masses of cadres, staff, and workers—especially the leading cadres—in the province's industrial and communications front to conscientiously analyze and correctly view the province's current economic situation, face up to the current difficulties, brace themselves, seize each and every opportunity, resolutely move forward in spite of difficulties and hardships, and

unswervingly fulfill this year's goal of turning losses into profits. To this end, the people's governments, the relevant departments, and industrial enterprises at all levels across the province should further heighten their understanding of the importance of turning enterprises' losses into profits, should constantly consolidate turning-losses-into-profits achievements, should raise the standard of the turning-losses-into-profits work, should make greater efforts to increase profits while cutting down on losses, and should strive to raise the province's overall industrial efficiency.

Zhang Yunchuan stated: We should go all out to open up new markets and expand existing markets for stockpiled products and more fruitfully, persistently, and effectively further the "double increase, double reduction" activities throughout the province in a down-to-earth manner. Speaking of comprehensively fulfilling this year's industrial and communications quotas, Zhang Yunchuan pointed out: We should persistently unify speed with efficiency, open up more and bigger markets for the province's industrial and communications products, and further enhance the province's industrial and communications efficiency.

To this end, various prefectures, cities, and provincial departments and bureaus should make redoubled efforts to develop a number of selected products that can be ranked first, second, or third among similar products throughout the country in light of actual local conditions so as to make the province's industrial and communications products more competitive on both the domestic and international markets. Furthermore, we should continually step up technological renovation, actively arrange for major technological renovation projects, strengthen production management and departmental coordination, make concerted efforts to help enterprises overcome their difficulties, attach great importance to and earnestly strengthen production safety, pay more attention to and step up ideological and political work within enterprises, and push forward clean government building among various trades and professions.

Provincial Economic Commission Chairman Qian Zihong also delivered a speech, in which he called for heightening understanding, vigorously moving forward, and striving to push the province's work of reducing enterprise losses and increasing enterprise profits into a new stage.

Shandong Governor Remarks on Financial, Taxation Work

SK3108034594 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 30 Aug 94

[Text] At the provincial conference on financial affairs and taxation work held on Yantai, Zhao Zhihao, deputy secretary of the provincial party committee and provincial governor, stressed: During the second half of this year, the priorities of economic work are to do a good job in increasing production and practicing economy and in

increasing revenue and reducing expenditure, and to comprehensively raise economic efficiency. Financial and taxation work should be carried out in close connection with the work of raising efficiency, increasing revenue and reducing expenditure, and offering suggestions and efforts. This year, we should exert efforts to solve the crucial issues that restrict revenue increase and affect economic balance.

Zhao Zhihao said: At present, the low sales rate of enterprises, the shortage of funds, and the great difficulties in production and management have become the conspicuous problems in economic development. The financial and taxation departments should give full play to their functional role in allocating and using funds; make overall arrangements for funds covered or not covered by the budget and for all sorts of working funds; help enterprises alleviate financial difficulties; give priority to guaranteeing the demand of funds for the construction of key projects, for enterprise technological transformation, and for major taxpayers; and make the most use of funds.

Zhao Zhihao pointed out: Production development and enhancement of efficiency will finally reflect themselves in financial revenue. To strike a balance between revenue and expenditure in the entire province this year, we must first rely on increasing revenue, and second, on reducing expenditure. In the expenditure arrangements, we must be rational in planning and management, and must have both guarantees and curtailments. Through cutting ordinary expenditures, we should guarantee key projects and the fulfillment of all general work tasks. The expenditure priority of the second half of this year is to guarantee the wages of workers.

Zhao Zhihao stressed: We must conduct all undertakings by means of thrift and hard work. Presently, on the one hand, we are seriously short of financial resources, and on the other hand, extravagance and waste in our economic and social life are very astonishing. During the second half of this year, leading organs and leading comrades at all levels must take the lead in mobilizing all trades and professions to create an upsurge in combating waste in a big way. It is necessary to achieve desired results in four aspects: First, we must obviously reduce meeting funds; second, reduce reception funds; third, reduce public funds and funds for going abroad; and fourth, reduce institutional purchase of high-grade consumer goods.

Shanghai Establishes Three-Year Development Plan

OW3108054494 Beijing XINHUA in English 0528
GMT 31 Aug 94

[Text] Shanghai, August 31 (XINHUA)—Shanghai, China's biggest economic center, is planning to strive for greater changes in the next three years.

The city's investment in urban infrastructural construction over the past three years is more than the total for the past 42 years from 1950 to 1991, a local official announced today.

Cai Laixing, deputy secretary-general of the Shanghai Municipal Government, said this at the opening meeting of the fourth seminar on international finance of the Asian Development Bank.

Cai noted that Shanghai entered a new development stage at the beginning of the 1990s as senior Chinese leader Deng Xiaoping put forward idea three years ago that Shanghai should have a change every year and a greater change every three years.

He also said that in the past three years, the city has gained a sustained, fast economic growth. The average growth rate of the gross national product (GNP) has doubled that of the 1980s, reaching over 14 percent.

While Shanghai's GNP growth rate in the 1980s was two percentage points lower than the nation's average level, that of the past three years was two points higher than the figure for the whole country.

In the period from 1992 to 1994, the overall investment in urban infrastructural construction has exceeded the total for the previous 42 years.

Cai said that great achievements have been made in the strategic adjustment of industrial structures. The proportion of service industry rose to about 40 percent of the total industrial output in the first six months of this year from 30.8 percent in 1990. In the industrial sector, six pillar industries including airplane and automobile manufacturing have been formed.

The deputy secretary-general said that in the past years, Shanghai also built 11 national-level markets and trading centers.

The total transaction volume of these centers topped 1,000 billion yuan last year and is expected to be doubled this year, Cai said.

In 1994, the China's foreign exchange trading center opened in this port city and another bond trade center has taken shape.

Speaking of the great progress in the construction of the Pudong New Area, Cai said that 10 infrastructure projects have so far been completed and another 10 are under consideration.

To date, more than 2,000 foreign-funded joint ventures and over 3,000 companies from inland provinces and cities have been built in the area.

Cai, also a renowned economist, said that various social undertakings have achieved great progress and the people's living standards have also improved in Shanghai over the past three years.

Foreign Investment Used in Shanghai Industry*OW3108024894 Beijing XINHUA in English 0108
GMT 31 Aug 94*

[Text] Beijing, August 31 (XINHUA)—An average of five textile firms involving overseas investment are set up in Shanghai each month in the first seven months of this year, a record high, according to the local "PRESS NEWS".

The newly opened firms total 35, and have a total of 233 million U.S. dollars in investment. Seven of the projects involve more than 10 million U.S. dollars each in investment.

By the end of June this year the Shanghai Municipal Textile Bureau had approved a total of 216 projects, involving 821 million U.S. dollars.

These joint ventures and solely foreign-funded companies have not only brought advanced technology and management expertise, but also helped promote exports, the newspaper said.

Between January and June this year the overseas-invested firms in Shanghai generated 132 million U.S. dollars in foreign exchange earnings from exports, 51.53 percent higher than in the same period of last year.

Shanghai Strives for High Industrial Quality*OW3008160394 Beijing XINHUA in English 1527
GMT 30 Aug 94*

[Text] Shanghai, August 30 (XINHUA)—This, China's leading industrial city is striving to make 60 percent of its major industrial products reach the international technological standards by implementing international quality-control standards.

In 1993, some 400 enterprises in Shanghai implemented the GB/T19000-ISO9000 quality-control standards which combine national and international standards, and 21 of them have obtained quality-control attestation certificates.

Last year 75.8 percent of Shanghai's products checked by China's quality examination authorities were up to standard, and the percentage was higher than the national average. Shanghai-made products also made up one fourth of the 400 most popular commodity items named by the Ministry of Internal Trade, and 98 percent of its exported goods passed quality checks.

Shanghai's top-ten construction projects all met quality standards this year. The rate of housing construction projects up to standard reached 99.9 percent, 1.5 percentage points higher than last year.

Qian Zhongqiu, executive deputy director of the Shanghai Bureau of Technological Supervision, said, "as it focuses on the processing industry, Shanghai's only chance to get a footing in the world market is by improving the quality standards of its products."

In China the State Bureau of Technological Supervision and its branches across the country are the chief government bodies superintending quality controls in enterprises. The bureau also represents China in the International Standards Organization (ISO).

Qian asserted that quality control forms an important part of Shanghai's economic development. Viewed from the angle of the macroeconomy, the adjustment of the industrial structure and the introduction of foreign technology and capital are also channels for improving the quality of industrial products.

Shanghai has established the automobile, telecommunications, power generation, steel, household electrical appliance and refined chemicals industries as its six pillar industries.

Qian pointed out that Shanghai's maintenance of its leading position in China for industrial product quality can be in large part attributed to the fact that the annual funds it devotes to quality supervision and examination are the biggest in China.

Zhejiang's Rural Economy Develops From Jan-Jun*OW2908062494 Hangzhou Zhejiang People's Radio
Network in Mandarin 1000 GMT 27 Aug 94*

[From the "Provincial News Hookup" program]

[Text] Zhejiang's rural economy continued to develop rapidly in the first half of this year—peasants' per capita income reached 707 yuan, up 206 yuan from the same period last year. Taking the prices factor into consideration, the real increase was 86 yuan.

According to a survey of 10,737 peasant households in 724 townships and towns, peasant household incomes from family businesses increased sharply, and the secondary and tertiary industries developed robustly. As of 30 June, peasant households' total income from family businesses increased 35.8 percent over the same period last year. Of the total income, income from primary, secondary, and tertiary industry, respectively, increased 24 percent, 51.8 percent, and 48.6 percent over the same period last year. Secondary and tertiary industries grew faster than primary industry, and the income from secondary and tertiary industries rose to 21.7 percent and 28.9 percent, respectively, of the total income from family businesses. The main reasons for this are that peasants have become more commodity-minded, the industrial structure has been adjusted, and the labor force has quickened its pace in shifting to secondary and tertiary industries.

Of the per capita income of 707 yuan, 575 yuan were from family businesses, 150 yuan were from rural enterprises, 20 yuan were from collective enterprises, and 18 yuan were from enterprises jointly run by households. [figures are as heard] From these figures, we can see that

family businesses are still the main source of peasants' incomes in Zhejiang, as well as the main way for them to increase their incomes.

Zhejiang Military Area Command Helps Typhoon Victims

*OW3108041394 Beijing XINHUA in English 0252
GMT 31 Aug 94*

[Text] Hangzhou, August 31 (XINHUA)—The Military Area Command of east China's Zhejiang Province has mobilized more than 300,000 officers, soldiers and militiamen to help typhoon victims rebuild or repair their homes, according to a ranking officer here today.

Wenzhou, Taizhou, Lishui and Ningbo Cities in the province suffered great economic losses from devastating floods and strong winds that followed typhoon Fred earlier this month.

The sub-military area command in Wenzhou City sent more than 200 officers and men right after the typhoon landed to help protect the terminal building and runway of the Wenzhou Airport.

Military personnel in Taizhou City went to help evacuate grain depots and moved 2,000 tons of paddy rice.

Officers and men in Lishui City worked day and night to help clear roadbeds and transport materials on the construction site of the Jinwen Railway.

The commander of the Ningbo sub-military area command personally headed a group of 50 officers and soldiers and more than 2,000 militiamen to clear sewage water and siltings in the workshops of 30 enterprises, which are now in normal operation. Another 1,000 militiamen were sent to repair sea embankments.

In addition, the provincial military area command has sent medical teams to provide free medical treatment in flood areas.

So far these officers and men have built or repaired more than 1,000 houses and salvaged 200 sunken ships, among other things.

Central-South Region

Guangzhou To Host Overseas-Funded Trade Fair

*OW3008135094 Beijing XINHUA in English 1328
GMT 30 Aug 94*

[Text] Beijing, August 30 (XINHUA)—The third trade fair of export commodities made by China's overseas-funded enterprises will be held from October 15 to 30 in the International Exhibition Center in Guangzhou, capital of south China's Guangdong Province.

The fair, sponsored by the China Association of Enterprises With Foreign Investment, will mainly focus on exports of light industrial products, handicrafts, textiles, garments, foodstuffs, electronic goods, local and animal

husbandry products, chemicals, building materials, electrical and mechanical products, medical products, hardwares and minerals.

From this year the fair is scheduled to be held twice a year at the same time with the Guangzhou Trade Fair.

The first two fairs were held respectively in 1992 and 1993 in Xiamen, one of China's special economic zones in southeast China's Fujian Province.

Since China adopted its reform and open policy 15 years ago, China's overseas-funded enterprises have witnessed substantial development.

By the end of June this year the country had approved 199,678 overseas-funded projects, with a total pledged investment of 266 billion U.S. dollars.

In the first half of this year China approved 25,450 overseas-funded projects, with a total contracted investment of 44 billion U.S. dollars. The average investment in each project reached 1.73 million U.S. dollars, 28.7 percent higher than in the same period of last year.

Over 70 percent of the contracted overseas investment in the first half of this year went into China's industry.

In the first half of this year, the foreign trade volume of China's overseas-funded enterprises reached 35.78 billion U.S. dollars-worth, a rise of 45.3 percent over the same period of last year and accounting for 36.7 percent of China's total foreign trade.

The export growth rate of these overseas-funded enterprises in the period was 14.2 percentage points higher than that of the nation as a whole.

Guangdong Customs Cracks Down on Steel Smuggling

*HK3108023394 Guangzhou Guangdong People's Radio
Network in Mandarin 1000 GMT 23 Aug 94*

[Text] The Jiangmen Customs Authorities have taken severe action against the smuggling of steel products. In recent years, some criminals have been smuggling steel products in and out of the country along sea routes, have been illegally reselling bonded steel products in the special economic zones, and have even been smuggling steel into the country by means of giving gifts. In view of this situation, the Jiangmen Customs has intensified its crackdown and has effectively checked the maritime steel smuggling activities. Between January and July this year, the customs authorities intercepted over 1,300 tonnes of smuggled steel products of all types worth over 5.3 million yuan.

Guangdong Controls Satellite Reception Facilities

*HK3108041394 Hong Kong ZHONGGUO TONGXUN
SHE in Chinese 0850 GMT 2 Aug 94*

[Text] Guangzhou 2 August (ZHONGGUO TONGXUN SHE)—A few days ago, the General Office

of the Guangdong Provincial Government issued a "Circular on Strengthening Management of Ground Reception Facilities for Satellite Television Broadcasts," which introduces a licensing system for the manufacture, sale, installation, and use of satellite ground reception facilities in Guangdong Province.

The "circular" requires units and individuals that have not been licensed by the examination and approval institutions to manufacture, sell, install, or use satellite ground reception facilities, to go through remedial formalities with the relevant departments by 31 August.

The "circular" stipulates: The Guangdong Provincial Radio and Television Department is the relevant department managing the installation and use of satellite ground reception facilities across the province, and together with the provincial public security department and the provincial state security department, it supervises and inspects the management over the installation and use of satellite ground reception facilities.

All units wishing to install ground reception facilities to receive domestic and foreign television programs, and economic information transmitted by satellite, are required to report to the radio and television departments at the county level and above. Their applications will be subject to examination and approval, as well as management, at different levels. Units directly under the jurisdiction of the provincial government, as well as central and other provincial units stationed in Guangdong, may report directly to the provincial state security department. After getting its signed recommendation, their applications will be examined and approved by the provincial radio and television department.

Guangdong Develops Tourist Zone

OW3008104294 Beijing XINHUA in English 0911 GMT 30 Aug 94

[Text] Guangzhou, August 30 (XINHUA)—A tourist zone has been built in the east section of south China's Guangdong Province.

The Golden Lion Zone, not far away from the South China Sea, lies in the bordering area of the three cities, Jieyang, Shantou and Chaozhou.

It consists of four parks with different scenic spots.

The Bihu Park is built for water sports and religious tourism.

Tourists can play golf in the Golden Lion Park, which is also interesting of its Didu Villa and folk arts village.

The Lianzhishan Park is a wild animals and plants protection zone.

The Gold Valley, the center of the zone, has a Golden Lion Square and a racecourse which is rare at present in China.

The whole area of the tourist zone is surrounded by beautiful mountains and rivers, among which there are many attractive places, such as the Nanlong Reservoir, the Woggong Academy of Classical Learning, Shantou University, the landmark of the Tropic of Cancer and the Huangqi Scenic Spot in Jieyang City.

Guangxi Zhuang AR Draws Up Rare Animal Protection Laws

OW2908055194 Beijing XINHUA in English 0410 GMT 29 Aug 94

[Text] Nanning, August 29 (XINHUA)—Southwest China's Guangxi Zhuang Autonomous Region is working out regulations to protect rare wild animals.

According to an official in charge of the effort, people who catch, kill, smuggle or trade rare wild animals will be fined between 200 yuan and 100,000 yuan, and the animals involved and their illegal gains will be confiscated.

People who provide tools and convenience for such illegal acts will be fined between 1,000 yuan and 50,000 yuan.

Guesthouses, hotels and restaurants which sell food made of wild will also be heavily fined.

Judicial organs will trace the criminal responsibility of those who violate the related laws and regulations on protecting wild animals.

In addition, the regional government will commend and award scientific workers who make successful efforts in saving rare wild animals.

The Guangxi Zhuang Autonomous Region has more than 880 kinds of wild terrestrial vertebrates and 163 kinds of other wild animals, of which 121 kinds have been listed by the state for top priority protection.

Hainan Establishes New Social Security System

OW3108030394 Beijing XINHUA in English 0151 GMT 31 Aug 94

[Text] Haikou, August 31 (XINHUA)—A total of 170,000 yuan has been paid by the social security bureau of Baisha County, Hainan Province, for the medical expenses of Liang Chaolun from the county cement plant.

Liang was scalded by boiling cement slush in an accident seven months ago.

"My family could not help with the hospital expenses," said Liang, his eyes blurred by tears, "and it was also difficult for the plant. To be honest, it is the new social security system that saved me."

Liang was one of the first beneficiaries since the regulations came into effect on New Year's day 1994 regarding industrial injuries in Hainan, one of China's five economic special zones.

So far, the social security departments in cities and counties of the province have arranged for proper treatment of 66 workers injured or killed at their posts.

Besides, they have paid relief funds to 7,089 unemployed people.

When its business slumped, the Nanyin shoe factory in Haikou, capital of the province, fired 408 workers.

Ready to leave for her hometown, Kang Shaolin, a girl from out of town, was given relief funds by the provincial job service center and training for a new job free of charge.

"I have joined the computer operation training class," said the girl, enjoying her new life, "when my studies are completed I will open a computer service business with the help my friends who are also studying here."

Like her, other discharged workers from Nanyin are taking courses in driving, cooking, hotel management, hairdressing, tailoring and so on.

The social security units help to pay subsidies to solitary aged people and families with material difficulties as well as pensions for retirees from both governmental and non-governmental enterprises.

So far, in Haikou 3,509 enterprises have joined the social security system, covering 87,860 employees.

Included are 531 overseas-funded enterprises and 919 privately owned Chinese businesses.

Tang Caihui, director of the Social Security Bureau of Haikou, said that social security plays an important role in accelerating the development of the market economy, stabilizing the society and benefiting enterprises as well.

Association of Companies Established in Hainan

OW3008164294 Beijing XINHUA in English 1617
GMT 30 Aug 94

[Text] Haikou, August 30 (XINHUA)—The Hainan Provincial Association of Private Companies was set up here today in a bid to promote the market economy in this south China island province.

An official of the new association said that his association will try to make life easier for the local people and to promote material and cultural progress.

He said that private companies have been mushrooming since Hainan became a special economic zone in 1988 pursuing flexible policies to encourage overseas investors.

Hainan now has 10,607 such companies, employing a total of 92,171 people, he said.

With a total registered capital of 11.6 billion yuan, they manufactured 180 million yuan-worth of goods and made 420 million yuan in profits in the first half of 1994, he added.

Of these private companies, 990 have registered capital of at least one million yuan each and five have registered capital of more than 30 million yuan, he said.

Liu Yixin, deputy director of the provincial administration for industry and commerce, said, "the private sector has been playing a major role in expanding the market economy, providing jobs and increasing local government revenues."

For example, since 1985 private companies and self-employed people have paid a total of 400 million in taxes.

Hunan To Hold International Workshop on Development

HK3008152894 Changsha Hunan People's Radio
Network in Mandarin 2300 GMT 23 Aug 94

[Excerpts] The '94 International Workshop on Hunan's Opening and Development, organized by the provincial government, will be held between 28 and 30 August in Changsha. In order to give timely reports about the meeting, this radio network will set up a special column on the workshop as of today. In today's program, we broadcast the excerpts of a special article written by provincial party committee Secretary Wang Maolin for the workshop, entitled "Striving To Bring About a New Upsurge of Opening and Development."

Comrade Wang Maolin points out: Since the Third Plenary Session of the 11th CPC Central Committee, Hunan's pace of opening up to the outside world has been quickened gradually. In particular, since Comrade Deng Xiaoping's important talk, increasing numbers of overseas businessmen have held an optimistic view on the Hunan market and have made investment or done business in Hunan. The number of additional foreign-funded enterprises in the past year even exceeded the total in more than 10 years after the beginning of reform and opening up. We can say that Hunan is taking giant strides into the world, and the world is getting to know Hunan. Within the province, reform is promoting development; the introduction of overseas funds and technologies is promoting transformation; and the development of foreign economic relations is promoting foreign trade. This opening guideline has been implemented in all fields of economic work. [passage omitted]

Comrade Wang Maolin says in his article: The upcoming international workshop on Hunan's opening and development will invite overseas and domestic experts, scholars, entrepreneurs, people engaged in foreign economic work and foreign trade, and celebrities in all social circles. They will discuss Hunan's opening and development and will express their opinions and give advice. This will greatly benefit Hunan. The door of Furongguo [nickname of Hunan] has been opened wide to the world. The Hunan people are warmly welcoming new and old friends from other parts of the country and from overseas areas.

Hunan Secretary Addresses Meeting on Transport*HK3008152694 Changsha Hunan People's Radio Network in Mandarin 2300 GMT 23 Aug 94*

[Text] The urgent provincial meeting on rectifying the transportation situation was held on 23 August in Changsha. Wu Xiangdong, standing committee member of the provincial party committee and secretary of the provincial Political Science and Law Commission, and Zhou Shichang, vice governor of the province, arranged the work of rectifying the highway transportation situation throughout the province. Wang Maolin, secretary of the provincial party committee, gave an important speech at the meeting.

In recent years, for various reasons, road transportation in many areas of this province has not been smooth and has even been in a state of disorder. Check points have been set up and fines have been imposed irregularly. There have been serious traffic jams along National Road 107 and National Road 319, and many check points have been set up along the roads. This has caused strong discontent among drivers and the local masses, and Vice Premier Zhu Rongji has issued a serious instruction on dealing with the problem. At yesterday's meeting, Vice Premier Zhu's instruction, as well as the important instructions of the provincial leaders, were conveyed to the participants.

Comrade Wang Maolin stressed: Our efforts must be concentrated on dealing with major problems, and all localities must act rapidly and resolutely according to the unified arrangements. The traffic police department, the transportation department, and the industrial and commercial administrative department should cooperate closely. After the intensified rectification has been carried out, day-to-day regulations and rules on managing the order of transportation should be establishment and enforced. Efforts should be made to bring about a fundamental turn for the better in this regard.

Southwest Region**Sichuan Province Develops Mabian River Basin***OW3108053694 Beijing XINHUA in English 0505 GMT 31 Aug 94*

[Text] Beijing, August 31 (XINHUA)—Southwest China's Sichuan Province has devoted efforts to developing the rich natural resources of hydropower, mineral deposits and forests in the Mabian River Basin, a part of the Chang Jiang River system.

The move is designed to promote electric and petrochemical industries in southwest Sichuan and the local economy.

A dozen mineral deposits, such as phosphorus, coal, gypsum and silica, have been found in mabian, with the reserves of phosphorus and coal estimated at 609 million tons and 215 million tons respectively.

The hydroelectric resources within the valley reach 450,000 kw. The forest and timber reserves now stand at 25 million cubic meters, official statistics show.

According to local officials, the central government has over the past several years invested more than 50 million yuan in upgrading Mabian's infrastructures.

By the year 2000, the Mabian River Basin area will have four big power plants and a host of small ones, with a combined generating capacity of 220,000 kw.

By then, a 900,000-ton chemical plant will be built, and coal, building materials, paper-making and agro-product processing industries will grow to assume big importance.

The initial development of the river basin has already given a major push to the local economy, and its gross domestic product has been growing at an annual rate of more than 20 percent.

Sichuan Protects Rural Contract Responsibility System*OW3108025094 Beijing XINHUA in English 0106 GMT 31 Aug 94*

[Text] Chengdu, August 31 (XINHUA)—Sichuan, the most populous province in China, has formulated legislation governing the rural household contract responsibility system, thus ending 15 years of management of the system by administrative measures.

The legislation, to come into effect October 1, was announced by the provincial people's congress.

It covers stipulations concerning the responsibilities, rights and interests of the contracting sides, standards for verifying valid and invalid contracts and responsibility for breach of contract.

Deeming it timely and highly necessary, a local official said that the legislation is aimed at solving problems emerging along with the development of the contract system, introduced 15 years ago as a major reform measure.

While the introduction of the contract system has greatly liberated rural labor productivity and increased production, there have appeared such problems as uncontrolled outflow of rural population, infringement of the interests of farmers, and allowing land to stand idle.

This is partly because the administrative management has not been strictly scientific and authoritative, the official said.

As a result, there have been many breaches of contract in the province. So far, 2.5 million contracts, or 10 percent of the total, have not been honored.

Guizhou Governor Addresses Meeting on Emancipating Minds*HK3008153894 Guiyang Guizhou People's Radio Network in Mandarin 2300 GMT 23 Aug 94*

[Excerpts] The provincial party committee and the provincial government held a lecture on emancipating

minds on 23 August. The meeting was presided over by Liu Fangren, secretary of the provincial party committee. Chen Shineng, Long Zhiyi, Wang Siqi, Wang Guangxie, Hu Kehui, Yuan Ronggui, Li Manlu, Huang Yao, Fu Xiansheng, Liang Rongde, and old comrades Wu Shi, Zhen Feng, and He Renzhong attended the meeting. Leading cadres at and above the deputy-bureau-chief level from all provincial departments, leading cadres at and above the deputy-army-commander level from the provincial military district, and responsible people of the leading groups for the discussion on emancipating minds in all prefectures and cities attended the meeting.

The meeting primarily reviewed and summed up the results of the discussion in the previous period and further mobilized the whole province from top to bottom to advance the discussion in depth. Provincial Governor Chen Shineng gave a speech at the meeting. His speech included three parts. First, a basic assessment of the discussion of the previous stage. Second, learning from the experience of Shanghai and Zhejiang and advancing the discussion in depth. Third, turning the results of the discussion into a driving force for speeding up reform and development and into corresponding policies and measures. [passage omitted]

Chen Shineng said: The discussion on emancipating minds has achieved initial results and has brought about an atmosphere of grasping the opportunity, considering reform, and exploring ways to achieve development. [passage omitted]

North Region

Beijing Secretary on Educational Reform

SK3108061794 Beijing BEIJING RIBAO in Chinese 23 Aug 94 p 1

[By reporter Man Guifang (3341 2710 5364): "Secretary Chen Xitong and Mayor Li Qiyang Speak at Beijing Municipal Educational Work Conference"]

[Text] On 22 August, the municipal party committee and the municipal government cosponsored a municipal educational work conference to implement comprehensively the guidelines of the national educational work conference, to further implement the strategy of giving priority to the development of education, to mobilize the party committees and the governments at various levels across the municipality, as well as all social circles, to engage in the high-standard implementation of the "China program for educational reform and development," and to fight for realizing the capital's goal of educational modernization.

Li Qiyang made a report, and Chen Xitong and Zhang Xiaowen made speeches at the conference. Li Zhijian chaired the conference. Hu Zhaoqiang made public the 10 concrete deeds done in 1994 to promote education. Chen Dabai read the municipal party committee and

government's official, written reply to Haidian District's request for setting up an experimental zone for educational reform.

Present at the conference were municipal leaders, including Zhang Jianmin, Wang Daming, Chen Guangwen, Zhang Baifa, Wang Baosen, Wang Tong, Ouyang Wenan, Yang Chaoshi, Qiang Wei, Mei Xiangming, Tao Xiping, He Luli, Li Runwu, Meng Xuenong, Fan Yuanmo, Wang Zhaoyue, and Du Shenwei.

In his report entitled "Implement in High Standards 'the China Program for Educational Reform and Development' and Fight for Realizing the Capital's Goal of Educational Modernization," Li Qiyang defined the municipal goals and tasks for educational reform and development in the foreseeable future. He said: "The capital's basic tasks for educational development by the end of this century are: Take the deepening of educational reform as basic motivation; greatly develop various categories of education in the urban and rural areas; further improve the people's ideological understanding, morality, scientific understanding, and cultural quality; and cultivate skilled persons who have ideals, morality, knowledge, and a sense of discipline and who span this century and the next so as to realize the capital's economic and social development strategic goal."

Li Qiyang pointed out: To realize the capital's grand goal of educational development, we must implement the principle of making overall improvement and key breakthroughs and take the road of developing high-quality, high-efficiency, and high-level education. To this end, the municipal party committee and the municipal government decided to concentrate energy and organize forces to complete systematically the 10 major educational projects. They include: The project for high-standard basic education, the educational project in mountain areas, the project for popularizing senior high school education, the vocational education project, the adult training project, the project for "three focuses" of institutions of higher learning, the "110" project, the model school project, the project for building the contingents of teachers, and the project for comprehensively experimenting with educational reform.

He said: "Reform is the fundamental way for and the powerful motivation of educational reform. In the foreseeable future, the municipality should make three new breakthroughs in educational reform. First, set up the Haidian educational reform experimental zone to promote overall educational reform. Second, continue to deepen the reform of the management system of schools. Third, further develop and utilize educational resources." He stressed: First, we should develop and utilize the existing teaching resources; change, step-by-step, the situation in which teachers are managed by departments and schools; and carry out the teacher appointment system.

On how to vigorously strengthen and improve the moral education of schools, how to comprehensively implement the educational principles, and how to improve the

quality of education, Li Qiyang demanded: All levels of government should bring the construction of arenas and gymnasiums needed by students' scientific, technological, recreational, and sports activities into line with urban construction planning and should strive to provide every district or county with a multi-functional activities center for young people. They should also select a number of production and labor, social practice, and military training bases for students of colleges, middle schools, and primary schools and make these bases accessible to students for free use.

Li Qiyang pointed out: The building of the ranks of teachers should be strengthened vigorously, with focus on improving the expertise of teachers and increasing remunerations to teachers, in order to attain the goals of making 50 percent of primary school teachers in cities and towns have the formal schooling record of colleges, making 60 percent of middle school teachers in cities and towns have the formal schooling record of regular courses of universities and colleges, making teachers of adult schools and secondary vocational schools basically qualified for their posts, and making 50 percent of teachers of institutions of higher learning have the formal schooling record of graduate schools by 2000. Among teachers, we should also foster a number of noted teachers, academic leaders, and educational specialists who are influential throughout the municipality or throughout the whole country. He pointed out: We should develop teacher-training education on a priority basis and make great efforts to improve remuneration to teachers in a bid to make the occupation of teacher more appealing to the people. By 1997, we should basically resolve housing problems for teacher families whose per capita housing space is fewer than 5 square meters and should actually resolve the problem that teachers find it difficult to see a doctor. In 1995, a unified medical care and hospitalization insurance system will be tested among teachers of primary and middle schools with a view to resolving the problem that teachers suffering serious diseases find it difficult to be hospitalized. He demanded that the vast number of people's teachers be devoted to the party's educational task, impart knowledge and educate people, be a paragon of virtue and learning, carry forward the spirit of dedication, shoulder the heavy task entrusted on them by history, further strengthen the sense of devotion and the sense of responsibility, struggle arduously and work hard for children and the generations to come, and create new achievements commensurate with the expectations of the party and the masses.

In his report, Li Qiyang also stressed the necessity of strengthening leadership over educational work through new measures and increasing the input in education to ensure the development of educational undertakings. He pointed out: "Beginning this year, the culture and education office under the municipal government, the municipal statistical bureau, and some other pertinent departments will make public the use of educational

appropriations by the municipality and by various districts and counties and will establish the system of supervising and examining the spending of educational appropriations to improve results, to protect educational resources according to the law, and to strictly prevent educational resources from being wasted."

Zhang Xiaowen pointed out in his speech: The CPC Central Committee and the State Council regards the national educational work conference as an extremely important one with historical significance. The guidelines of this conference should be carried out conscientiously. I hope that Beijing Municipality will implement the "program" in a high standard and continue to carry forward the tradition of respecting teachers and valuing education. Tangible things should be continuously done for educational departments in order to summarize even more and even better experiences for the development of the national educational cause.

Chen Xitong gave an important speech at the conference. He emphasized the need to continue to improve the understanding of the strategic importance of education. He said: "Giving priority to educational development is the strategic key point of China's modernization drive and an important component of Comrade Xiaoping's theory of building socialism with Chinese characteristics. Whether priority is given to educational development and whether education can be developed faster and better constitute an issue directly affecting the realization of the strategic targets of China's modernization drive and the rise and fall of our country and our nation. Do our leaders have an identical understanding of the importance of education? Does their understanding reach a level as required by the central authorities? I think the answer is no. It should be affirmed that we indeed have enhanced our understanding of the importance of education and carried out plenty of practical work for education over the past few years. We have by and large universalized the nine-year compulsory education and wiped out illiteracy among young and middle-aged people, which have been affirmed by all quarters, and we have improved teaching conditions to a certain extent. Our work, however, still falls far short of the demands of the party Central Committee and the people, and we still have a long way to go to change the situation in which education lags behind economic development. In view of the development of the market economy, the realization of moderate prosperity, and the high-speed development of modern science and technology in the world, in particular, much remains to be done in our understanding of the importance of education and in our work."

Chen Xitong cited some lopsided understandings of the relationship between education and economic development. He said: "The ideas and viewpoints that set the economy against education and set giving priority to educational development against taking economic construction as the central task are improper, lopsided, and harmful; and they are a manifestation of metaphysics and failure in mind emancipation."

He emphasized: As the capital is the cultural and educational center of the country, it is all the more important for Beijing to promote education. This is because we should not only train personnel for Beijing to become a modern international city in the next century, but, as Beijing radiates influence to all over the country, we should also provide personnel to the central authorities and to other provinces and municipalities. Beijing should set still higher demands and standards on education. Party and government leading comrades at all levels in the municipality must fully understand the status of education as the work concerning the overall situation, as the basic work, and as the vanguard; attach more importance to education; give priority to its development; and truly become clear-headed, qualified, foresighted, and mature leaders. Otherwise, they will miss the opportunity, adversely affect their work, commit strategic mistakes, and be punished by history.

Chen Xitong pointed out that we must have the ability to focus on the key points when comprehensively implementing the guidelines of the national educational work conference. He spoke at some length about the two issues of making continued and great efforts to carry out educational reform and making great efforts to improve the contingent of teachers. He said: "The fundamental purpose of educational reform is to mobilize fully the enthusiasm of the broad masses of educational workers and teaching and administrative staff. We should focus the educational reform on readjusting structures, rationalizing distribution, forming a proper scale, and accelerating the pace of development; strive to upgrade the educational quality and the benefits from operating schools; and cultivate as soon as possible increasingly more good skilled persons. Creating benefits from structures, distributions, and scales cannot be divorced from the enthusiasm of the people engaged in the educational work. The leaders at various levels, the society as a whole, and the broad masses of educational workers should approach from a strategic high plane, work in the spirit of positively keeping forging ahead, and continue to comprehensively promote and deepen the educational reform.

Chen Xitong stressed: We should continue to strengthen the leadership over the educational work. The leaders at various levels should conscientiously put education in a strategic position for preferential development. He said: "What should we do to make 'preferential development'?" At least, we should attend to the following few points: First, we should ensure to give priority to the development of education when working out the overall plan for national economic and social development and the annual plan. Second, at the time of arranging the annual budget, we should ensure to give priority to the allocation of the outlay for education. Third, when working out the urban construction plan and making the capital construction plan, we should consider schools and ensure to attach high priority to schools' needs for land and capital construction. Fourth, while developing key projects and new high-tech industries, we should

ensure to give first priority to the allocation of the outlay for training skilled persons. Fifth, at the time of installing cadres, we should attach high priority to promoting, through selections, outstanding and capable cadres to the leading posts of the educational units. Sixth, we should put high priority on the treatment of teachers at the time of improving the staff and workers' housing, welfare, and medical conditions.

He said: "We should continuously lay stress on mobilizing the people on all fronts to be concerned with and support education," resolutely oppose "wanton apportioning of expenses" and "wanton collection of charges," resolutely advocate the practice that the people of all circles in society and all trades and professions should support and care for education and do good and practical deeds for education. It is the best thing to donate funds to promote education. We should continue to encourage the people of all circles in society to donate funds to help promote education. Simultaneously, we should positively strive to enable the overseas personages with enthusiasm to donate funds to help promote education. The comrades on the educational front should bring into full play their enthusiasm, awareness, and subjective activity and strive to do their jobs well."

Chen Xitong pointed out: "So long as we make concerted efforts under the leadership of the party Central Committee with Comrade Jiang Zemin as its nucleus, regard this conference as a new starting point, firmly grasp favorable opportunities, and make key breakthroughs, will we certainly be able to overcome all kinds of obstacles and difficulties and strive to make efforts to elevate the capital's education to a new height in the next few years."

Present at the conference were 1,200 people, including principal leaders of the municipal departments, commissions, and offices; secretaries of the district and county party committees; district and county heads; party and government top leaders of the bureaus and general companies under the jurisdiction of the municipality; party committee secretaries and presidents of universities and colleges; some primary and middle school principals; some nursery school heads; and some secondary specialized, technical, and adult school principals.

Tianjin Sets Measures To Control Prices

SK3108074894 *Tianjin People's Radio in Mandarin*
2300 GMT 30 Aug 94

[Text] The municipal people's government held its 30th routine work conference on 30 August. Mayor Zhang Lichang attended and addressed the conference.

In his speech, Mayor Zhang Lichang stressed: The CPC Central Committee and the State Council are attaching great importance to controlling inflation. This is not only an economic matter but also a serious political one. Leadership at all levels must deeply understand the importance and urgency of stabilizing market prices

from a high political level and firmly grasp the work in a down-to-earth manner by regarding it as a first important task at present.

In his speech, Zhang Lichang pointed out: Tianjin has a very good foundation in this kind of work. We are determined and are totally able to do a good job in managing the markets and to bring commodity prices under control. He urged various departments and units to take the whole situation into consideration, to resolutely implement various measures put forward by the municipal people's government, and to continuously summarize and improve the measures so as to develop the excellent situation in the municipality.

During the conference, the participating personnel heard the report given by the municipal price bureau on the situation prevailing in commodity prices of markets during the period from January and July this year and on to the current measures of controlling commodity prices of markets. They also heard the reports given by the municipal agriculture commission and the municipal commerce commission on the current market supplies of farm and related products. The municipal commodity prices have somewhat increased this year due to the effects caused by multiple factors. However, as compared with other large and medium-sized cities across the country, the municipality's real prices still remain at the lower level. During the period from January to July, the increased scale in the index of municipal consumer prices maintained a declining trend month after month. Among the 35 large and medium-sized cities across the country, the rate of consumer goods price increases for municipal residents has ranked the municipality nineteenth in the country and that of retail commodities price increases has ranked the municipality thirty second in the country. According to the statistical data of commodity prices compiled by the State Planning Commission, of the prices of 26 living necessities for residents and of service business, those of 23 necessities and service business have been lower than the average level scored by the 35 large and medium-sized cities across the country. The number of these necessities and service business accounts for 88.5 percent in the total commodities and services that have been used for the comparison among the 35 cities. This has shown that various measures adopted by the municipality for readjusting and controlling commodity prices have been gradually put into effect and begun to produce results.

During the conference, the participating personnel further defined the measures adopted by the municipality for making the markets prosperous and stabilizing the prices in the coming period. They called for making all-out efforts to successfully grasp the project of vegetable basket so as to ensure the fulfillment of tasks for market supplies. In particular, a good job should be done in managing the production of vegetables with one harvest a year and one harvest a month and in integrating production with sales so as to provide sufficient sources of goods for controlling the commodity prices of

markets. Efforts should be made to bring the issuance of new measures for readjusting the prices under strict control and to control the spontaneous price increases of markets. All new projects for readjusting or issuing prices will not be allowed without the approval of the municipal people's government. Those who violate this principle will be strictly investigated and handled in line with the charge of violating the price law. Efforts should be made to enhance the construction of vegetable markets and to consolidate the existing network and centers of vegetable sales. In line with the principle of decontrolling wholesales, controlling retail sales, integrating decontrolling with controlling, and carrying out gradual standardization, it is necessary to formulate and issue the provisional measures for managing the municipal vegetable prices and the difference rate between wholesale and retail sale. Efforts should be made to vigorously study and formulate measures for increasing, managing, utilizing the funds of readjusting the municipal prices, as well as provisional regulations on blocking the prices of seeking (? abrupt) interest. We should enhance the supervision and estimation of market prices and reinforce the supervision and inspection over market prices. All acts violating the price law should be strictly investigated and handled and we should deal strict blows at the lawless elements who have dominated the markets by cheating, driving up prices, disturbing the market order, and interfering or obstructing the enforcement of the industrial and commercial price law.

Tianjin Sentences Train Thieves to Imprisonment

*SK3108085494 Tianjin People's Radio in Mandarin
2300 GMT 30 Aug 94*

[Text] During the autumn campaign of dealing strict blows at crimes, the railway transportation court of Tianjin Municipality tried and wound up the cases of train marauders and waylayers within 22 days. Convicts (Chen Zhimin) and (Zhang Jieguo) are from Zhaodong city in Heilongjiang Province. They jointly with the members of other criminal rings long operated hither and thither on the trains along the railway lines in the Central Plains of China to rob and steal the money and property of passengers. According to the judgment made at the recent trials, Convict (Chen Zhimin) joined in the crimes of robbing and stealing money and articles from passengers which are worth 41,500 yuan. He took his share of 7,200 yuan. Convict (Zhang Jieguo) joined in the crimes of robbing and stealing money and articles from passengers which are worth 30,000 yuan. He took his share of 500 yuan. At the trial on 30 August, the court sentenced (Chen Zhimin) to a 14-year imprisonment term and deprived him of political rights for four years and (Zhang Jieguo) to 10.5-year imprisonment term and deprived him of political rights for three years.

Northeast Region

Heilongjiang Official on Beginning New Tax System

*SK3108062594 Harbin Heilongjiang People's Radio
Network in Mandarin 1000 GMT 30 Aug 94*

[Text] At the provincial financial work conference held on 30 August, Cao Guangliang, director of the provincial

financial department, said: As a measure of the financial system reform, implementation of the new tax system has been successful, and its operation has been normal in the province. In the first seven months of this year, implementation of the provincial financial budget took a favorable turn on a monthly basis. Implementation of the new tax system is a major move of the CPC Central Committee and the State Council to establish the socialist market economic system and is a major readjustment of the relationship of interest among the state, localities, and enterprises. Thanks to six months' endeavor of the whole province, the framework of the new tax system has been established, the operation of the system has been stable, and financial revenues have increased, with the situation better than the expected.

Cao Guangliang pointed out at the conference: In the first seven months of this year, implementation of the provincial financial budget took a favorable turn on a monthly basis, but this brooks no optimism. He said: Since the beginning of this year, the province's national economy has progressed amid stability and maintained a good trend of development. Agricultural and light industrial production has been better than previous years, and input in this aspect has increased by 1 billion yuan or so. Although some localities have been afflicted by relatively serious natural calamities since the beginning of this past summer, an all-around bumper harvest may still be expected. Industry has gone up steadily. In the first seven months of this year, the province's total industrial output value increased by 4.6 percent over the same period last year. The development of the nonstate-owned sector of the economy has been accelerated. Output value of township, village, and collective industries increased by 54.7 percent over the past year. Along with the development of the national economy, the financial budget has taken a favorable turn on a monthly basis. In the first seven months, the province's financial revenues increased by 15.1 percent over the same period last year if calculated in terms of comparable standards.

Cao Guangliang pointed out: The financial situation for the whole year brooks no optimism. Major reasons are: Implementation of the financial budget has been slow, which will interfere with achieving a balance between revenues and expenditures; appropriations for [words indistinct] are hard to be honored and difficulties in this regard are extremely conspicuous; tax defaults of enterprises are great in amount; financial management is poor; and industrial losses are serious. In the light of these problems, Cao Guangliang set forth specific methods for implementation of the new tax system and for the provincial financial work.

Three Grain Officials Executed in Liaoning

OW2308175094 Beijing XINHUA Domestic Service in Chinese 0701 GMT 22 Aug 94

[By reporter Jia Fenyong (6328 1164 0516) and correspondent Wu Wei (0702 1550)]

[Text] Shenyang, 22 Aug (XINHUA)—The first group—nine people in all—of criminals who were implicated in an extraordinary case involving procurement and selling of goods and materials by grain departments of Changtu County, Liaoning Province, were severely punished by law this morning. Gui Bingquan, former director of the Changtu County Grain Bureau, and two other people were given death sentences; Xu Lianzhong, former chairman of the county committee of the Chinese People's Political Consultative Conference [CPPCC], was sentenced to life in prison; and five other criminals were given prison terms of varying lengths.

Changtu County, which is located on the southern tip of the Songliao Plain, is our country's famous grain-producing county. It annually produces 1.5 billion kg of grain, including about 1 billion kg of commodity grain. For this reason, the state annually invests large amounts of funds to purchase mats, marsh grass, and scores of other goods and materials needed for storing grain in various grain depots. A county-wide, unified procurement and allocation system for goods and materials used to store grain was adopted in Changtu County before 1990. Since 1991, the system has been replaced with one that involves getting approval from the county grain bureau director or deputy director, who is in charge of procurement matters by individual grain depots. By deeply engaging in corruption and bribery through the abuse of their authority, and ignoring the needs of grain depots, Gui Bingquan and others wantonly approved chits that enabled their holders to force grain depots to purchase low-quality but expensive goods and materials used in storing grain, thus inflicting huge losses on the state.

The Tieling City People's Procuratorate brought the case to light after conducting thorough investigations in September 1993 with the staunch support of the Tieling City CPC Committee and People's Government. The nine criminals were taken to court on 23 May 1993, and were heard at separate court sessions held by the Tieling City Intermediate People's Court and Changtu County People's Court.

It was verified through investigations and confirmed by the courts that Gui Bingquan accepted bribes exceeding 258,000 yuan on 56 occasions during his tenure as Changtu County Grain Bureau director and concurrently party committee secretary from 1986 to August 1993. He also exacted reimbursements on numerous irrational receipts from his subordinate units and misappropriated more than 27,000 yuan in this manner. By opposing a grain storage and transportation plan, he acted on behalf of his relatives and other people to indiscriminately issue 67 chits for materials and goods covering business transactions worth about 17.61 million yuan to 25 grain depots from 1991 to 1992, thus inflicting direct economic losses of over 10.59 million yuan on the state.

Zhao Fu, former director of the Changtu County Daxing Grain Depot, who acted in collusion with Hu Yuzhang,

former director of the county Agricultural Bank of China Daxing business office, on December 1992 forged receipts for goods and grain storage, falsely claimed to have procured 528,000 yuan worth of such things as marsh grass and steel wires and cables, and applied for 500,000 yuan loans from the county Agricultural Bank of China for emergency credits needed by the Daxing Grain Depot to procure grain at negotiated prices. Upon obtaining the loan, Zhao Fu deposited the money into an account in Weitang Village, Daxing Township, and Hu Yuzhang instructed a credit officer from his business office to withdraw the money in four batches, which he later shared with Zhao Fu. Hu and Zhao forged more receipts in January 1993 and defrauded the Daxing Grain Depot of 105,000 yuan. In addition to these, Zhao Fu also used his authority as a grain depot director to demand and accept 126,000 yuan in bribes.

Xu Lianzhong, former vice chairman of the Changtu County CPPCC Committee, capitalized on his status as a "veteran leader" after his retirement to issue chits to some grain depot directors, instructed his daughter and adopted son to sell expensive but low-quality goods and materials to grain depots, and illegally pocketed over 310,000 yuan in profits himself.

Hu Wanyou, assistant manager of the Grain and Edible Oil Transport Company of Jinzhou, Liaoning Province, misused his authority when serving as storage and transportation section chief of the Changtu County Grain Bureau to approve 20 chits for other people, for which he received 42,000 yuan in bribes. His son Hu Lixin indulged in speculation and profiteering without restraint to make 207,000 yuan in profits and offered 10,000 yuan in bribes to other people. Ye Heping, former deputy head of Mazhonghe Town Public Security Station, Changtu County, garnered 126,000 yuan in profits through speculation and profiteering and 245,000 yuan by swindling others. Zhu Hantian, former Shibajiazhi Grain Depot party branch secretary in Changtu County, received 3,350 yuan in bribes, misappropriated 23,000 yuan, and caused 86,000 yuan losses through

dereliction of duty. Guo Wei (female), former responsible person of the Changtu County Grain Bureau food section, reaped profits of 71,000 yuan by selling imitation or substandard grain and materials.

In separate court hearings, the Tieling City Intermediate People's Court sentenced, in accordance with the law, Gui Bingquan to death and deprived him of political rights for life for the three crimes of receiving bribes, corruption, and dereliction of duty; sentenced Zhao Fu to death and deprived him of political rights for life for the crimes of corruption and receiving bribes; sentenced Hu Yuzhang to death and deprived him of political rights for life for the crime of corruption; and sentenced Xu Lianzhong to life imprisonment and deprived him of political rights for life for the crimes of speculation and profiteering and of selling imitation and substandard products. The Changtu County People's Court sentenced Hu Wanyou to seven years in prison for the crimes of receiving bribes; Hu Lixin to 11 years in prison for the crimes of speculation and profiteering and of giving bribes; Ye Heping to 16 years in prison for the crimes of speculation and profiteering and of swindling; and Zhu Hantian to 11 years in prison for the crimes of receiving bribes, corruption, and dereliction of duty. Guo Wei, who voluntarily surrendered herself and rendered meritorious service by informing the authorities about the crimes of others, was given a mitigated sentence of one year in jail and a two-year suspended sentence, and fined 30,000 yuan for the crime of selling imitation and substandard products. Illegal earnings of all criminals were retrieved according to law.

Gui Bingquan, Zhao Fu, and Hu Yuzhang, were dissatisfied with the first-instance judgement and appealed the ruling, but the appeal was rejected by the Liaoning Provincial Higher People's Court. Upon the approval of the Supreme People's Court, they were taken to the execution grounds and executed by shooting today.

It was reported that relevant procuratorates would institute proceedings against other defendants involved in this case.

Hong Kong

NPC Adopts Motion on Post-1997 Government

OW3108090694 Beijing XINHUA Domestic Service in Chinese 0531 GMT 31 Aug 94

[Text] Beijing, 31 Aug (XINHUA)—Decision of the National People's Congress [NPC] Standing Committee on the Motion Initiated by 32 NPC Deputies, Including Zheng Yaotang (Adopted 31 August 1994)

In accordance with a report on examination and deliberation by the NPC Law Committee, the 9th Meeting of the 8th NPC Standing Committee examined and deliberated on a motion initiated by 32 NPC deputies, including Zheng Yaotang, which was handed to the NPC Law Committee for deliberation and examination by the Presidium of the 2d Session of the 8th NPC.

The meeting opined: The last British Hong Kong Legislative Council, Urban Council, Regional Council, and district boards will be terminated on 30 June 1997. The British Government's unilateral decision on election arrangements for the last British Hong Kong Legislative Council, Urban Council, Regional Council, and district boards violated the Sino-British Joint Declaration, ran counter to the "Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China" and the "Decision of the National People's Congress of the People's Republic of China on the Method for the Formation of the First Government and the First Legislative Council of the Hong Kong Special Administrative Region." The meeting decided: The Preliminary Working Committee of the Preparatory Committee of the Hong Kong Special Administrative Region [SAR], in accordance with the "Decision of the National People's Congress of the People's Republic of China on the Method for the Formation of the First Government and the First Legislative Council of the Hong Kong SAR," will assume the responsibilities of making arrangements for matters concerning the establishment of the Hong Kong SAR, of determining specific methods for forming the first Legislative Council of the Hong Kong SAR, and of forming the first Legislative Council of the Hong Kong SAR. In accordance with the "Basic Law of the Hong Kong SAR of the People's Republic of China," duty and methods of formation of regional organizations of the Hong Kong SAR will be defined by the laws of the Hong Kong SAR.

More on Post-'97 Government

HK3108083194 Hong Kong RTHK Radio Four in English 0400 GMT 31 Aug 94

[Text] Members of China's legislature have voted unanimously in favor of a resolution to dismantle Hong Kong's political structure after the handover in 1997. The Standing Committee of China's National People's Congress also supported an amendment to give more powers to the Preparatory Committee to be set up here in 1996. James Lee reports:

[Begin Lee recording] The Standing Committee of the National People's Congress represents China's legislature when the full congress is not in session. Some 127 delegates attended this morning's meeting, and they unanimously voted in favor of the resolution to scrap all three tiers of government in Hong Kong in 1997. The resolution was tabled in the committee last week, and was sponsored by a group of Guangdong and Hong Kong delegates. The Standing Committee also supported an amendment to the resolution which gives the Preparatory Committee more authority to prepare for the post-1997 government. These include the power to set up the first post-1997 legislative assembly. An NPC member, (Chung Kin-chi), said the Preparatory Committee would have heavy responsibilities, and it would be unreasonable to limit its powers. [end recording]

The Government is standing by what the Governor Chris Patten said on the issue of his return from London. A spokesman said the administration had never disputed China's powers to take such a step, but he didn't believe there was any good reason for doing so. The Legislative Council had put in place electoral arrangements which had the support of the community and which are in line with the Basic Law and the Joint Declaration. He added that overturning the arrangements would do nothing to secure a smooth transition and Hong Kong's long-term stability and prosperity.

Independent Legislator Emily Lau isn't surprised by the NPC Standing Committee's resolution. She says China should tell people here what will happen after the three tiers of governments are dismantled.

[Begin Lau recording] This is surely going to cause a lot of uncertainty, and uncertainty is bad for business and also bad for confidence in Hong Kong, and also the fact that they are going to dismiss all the elected representatives of the Hong Kong people surely will send a very bad signal to the community and to the world because these are the people elected by the people of Hong Kong, and their voices are now being suppressed. So I think the Chinese Government must come out to explain to the Hong Kong people what they propose to do, and it is not enough just to say that the pieces will be picked up by the Preparatory Committee to be set up in 1996. [end recording]

Further on NPC Decision

OW3108073194 Beijing XINHUA in English 0637 GMT 31 Aug 94

[Text] Beijing, August 31 (XINHUA)—China issued a legal regulation today to abolish Hong Kong's political structure based on Governor Chris Patten's "reform package" and establish a new one, when the country regains sovereignty over Hong Kong on July 1, 1997.

The decision was approved by the lawmakers attending the closing meeting of the ninth session of the Standing Committee of the National People's Congress (NPC).

The decision says that the First Government and Legislative Council of the Hong Kong Special Administrative Region (SAR) will be set up in line with the NPC decision on this matter already issued in April 1990.

The SAR's Organizing Committee will decide on specific measures in establishing the First Legislative Council for Hong Kong SAR, it says.

The duty and formation of the regional organizations of Hong Kong SAR will be defined by its own laws according to the basic law on the Hong Kong SAR, the decision says.

"The last Legislative Council, city government, district government and District Board will be terminated on June 30, 1997," it says.

The legislature says in its decision that those organizations unilaterally set up by the British side violated the Sino-British Joint Declaration, the basic law and the NPC decision.

The proposal for the decision was initiated by 32 NPC deputies from Guangdong and Hong Kong in March this year.

PRC Jurisdiction Over Local Corruption Cases Rejected

HK3108061194 Hong Kong SOUTH CHINA MORNING POST in English 31 Aug 94 p 1

[By Darren Goodsir and agencies]

[Text] One of China's top crime-fighters pledged yesterday to prosecute corrupt officials of mainland enterprises operating in Hong Kong. The deputy procurator-general of the Supreme People's Procurate, Liang Guoqing, said China would co-operate with the Independent Commission Against Corruption (ICAC) but added: "I want to make it clear that corrupt activities involving Chinese enterprises are to be prosecuted and dealt with by China."

But acting Director of Operations Tony Kwok Man-wai said China had no jurisdiction to investigate corrupt activity in Hong Kong or take action against those involved in graft that took place here. Mr Kwok said while the Chinese authorities were fully entitled to impose disciplinary action for inappropriate conduct by employees of enterprises it controlled, the ICAC was obliged to take charge of corruption investigations. "It is all a matter of jurisdiction," Mr Kwok stated. "If the offence occurs in Hong Kong, then it has to be dealt with by the ICAC in Hong Kong."

Mr Kwok, who recently returned from a study programme in Beijing, said the ICAC had forged good working links with mainland anti-corruption bodies. Several years ago, a mutual assistance agreement was established, Mr Kwok said, which allowed both jurisdictions to gather evidence outside their borders under supervision. However, this agreement did not give the ICAC the

right to act against Hong Kong residents suspected of corruption while in China—nor did it extend to Chinese authorities being able to prosecute mainland officials allegedly engaged in graft here.

Mr Kwok said the Chinese appeared committed to dealing harshly with corruption. Mr Liang revealed in Beijing yesterday that Chinese law enforcement authorities dealt with 20,000 cases of embezzlement and corruption in the first six months of this year—a staggering 81 percent increase over the same period last year. "I must emphasise that state functionaries as a whole are honest, diligent and clean," he said. "From 1988 to 1992, only 4,629 officials above county level were investigated for bribery." In 1992, only 12.9 percent of corruption cases involved government officials, he said.

The 81 percent rise in the number of corruption cases this year reflected the scope of, and importance given to, the campaign to clean up business and the administration. "We have carried out serious work, according to the law, to stop state functionaries making personal gains," Mr Liang said.

The greatest single complaint about Beijing's anti-corruption campaign was that it had failed to net any in the political elite, widely believed to favour families, and give approval to economic projects which give direct personal benefit. The most senior official prosecuted in an anti-graft campaign in August last year was Li Zhashi, former vice-minister of the State Science and Technology Commission. Li was sentenced to 20 years in jail for involvement in a major financial scam. The verdict was upheld in April.

Mr Liang said new legislation under consideration would deal with corporate corruption, the supervision of officials and the lax reporting of additional official incomes. He announced the hosting of an international anti-corruption conference in October next year—demonstrating Beijing's determination to weed out corrupt activities.

Reasons Behind U.S. Policy, Brown Visit Viewed

HK3108060194 Hong Kong HONGKONG STANDARD in English 31 Aug 94 p 8

["Analysis" by Don Spain: Dazzled by the Yuan, U.S. Turns a Blind Eye to Human Rights"]

[Text] It's amazing how quickly a situation can turn itself around. It seems like only yesterday that the United States government was rattling its economic sabre in China's direction screaming about human rights abuses and threatening all sorts of dire consequences if things did not improve. Then President Bill Clinton bowed to political pressures, detached human rights from China's, annual most-favoured-nation (MFN) renewal, and the next thing we know a group of high-level business executives are following Ron Brown to Beijing.

This is definitely a case of the power of the yuan replacing the almighty dollar of recent history. A fact perfectly illustrated by news yesterday that those executives travelling with the commerce secretary had signed contracts worth nearly US\$5 billion (HK\$39 billion). Mr Brown said the deals assured "continued economic growth and the creation of jobs in the U.S. and, just as important, ensure the continued development that is taking place in China".

Reports said Mr Brown, who is accompanied by the heads of 24 major U.S. companies, gave no further details of the agreements, some of which are believed at this stage to be letters of intent. However, it is interesting that now U.S. interests are seen as being entwined with continued economic growth and the creation of jobs, whereas right up to the 3 June deadline for MFN renewal the U.S. government appeared to be taking a tough stance on the human rights issue. In fact they were more often than not described as inseparable from trade issues.

It is also ironic that the creation of jobs should take precedence in U.S. policy at a time when the Federal Reserve is warning the country is approaching what are described as, "natural employment levels". The Federal Reserve warned that beyond this level of employment inflation could be expected to start to rise along with the spectre of more interest rate rises. The Federal Reserve's argument is that with low unemployment levels consumer confidence rises and people rush to the shops with their carefully saved cash. Greater consumer demand pushes up prices—thus inflation—and the Federal Reserve is forced to slow down an overheating economy.

While it may be politically expedient for Mr Clinton to be seen doing something on the domestic front, maybe he should look at the large discount chain stores who have been repeatedly accused of using mainland Chinese prison labour to manufacture cheap goods for sale in the U.S.. By taking advantage of abnormally low manufacturing costs in China these companies have managed to undercut the locally produced equivalent, and, in the worst cases, forced their domestic competitors out of business.

Obviously in a real world it makes sense to get on with business whilst approaching the human rights issue in a constructive manner. The arrest, even for a short time, of leading dissident Wang Dan just before Mr Brown's arrival illustrates China's stance that now trade and human rights have been delinked they can do what they like.

Of course one has to understand Mr Brown's position. He is understandably keen to drum up business to help cut America's US\$23 billion trade deficit with China, but it should be remembered that in May U.S. telecommunications giant AT and T signed a massive deal with Chinese Vice-Premier Zhao Jiahua. In other words, AT and T was contracted to supply switching technology to the mainland network before Mr Clinton separated trade and human rights.

U.S. Commerce Secretary To Visit 1 Sep

OW3008152794 Beijing XINHUA in English 0939
GMT 30 Aug 94

[Text] Hong Kong, August 30 (XINHUA)—United States Commerce Secretary Ronald Brown will arrive in Hong Kong on September 1 for a two-day visit, the Government Information Services (GIS) announced here this afternoon.

He will be met at the airport by the Deputy Director-General of Trade Thomas Yiu, according to GIS.

The U.S. official is now in China on a business tour.

PRC Military Jets Intrude Into Territory's Air Space

HK3108055994 Hong Kong EASTERN EXPRESS in English 31 Aug 94 p 1

[By Eamonn Fitzpatrick and Nick Squires]

[Text] Chinese military jets have made at least three incursions into Hong Kong airspace this year and security officials fear unauthorised breaches of airspace could pose safety risks to passenger flights. Government security sources told Eastern Express that Chinese military aircraft had been sighted three times in the north-east of the territory's airspace this year. Each time the planes did not have and did not ask for permission. The sightings were made by pilots of commercial flights after air traffic control radars picked up unidentified aircraft. Two of the sightings were in March and the third was in May.

The sources said they did not know where the Chinese jets came from, although the fighters could have been on coastal patrol. The jets could have been operating out of an air force base at Shantou, about 200 kilometres up the coast, or from aircraft carriers in the South China Sea, the sources said. [sentence as published]

Although Hong Kong has minimal air defences—six Wessex helicopters operated by 28 (Army Co-operation) Squadron at Shek Kong in the New Territories—it is believed that government officials are more concerned about the risk to commercial flights arriving and leaving the territory.

"We don't know why the Chinese aircraft were in the area, but we believe they were likely to have been passing through rather than on any specific mission involving Hong Kong," one Security Branch source said. "Maybe they strayed into the area but we cannot say for certain. The incursions are taken very seriously for several reasons, primarily safety for other civil aircraft in the area. The fact that there are also territorial breaches involved also makes the issue one of concern."

With the exception of the Beijing-Guangzhou air corridor, all mainland airspace is controlled by the Chinese military. Besides the Chinese aircraft, dozens of other

unidentified objects intrude on Hong Kong airspace every year, according to a leading air traffic controller. Civil Aviation Department (CAD) radar screens at Kai Tak international airport regularly pick up objects that cannot be identified. Air traffic controllers believe the objects could be undeclared aircraft in transit, flocks of birds or even meteorites. "Sometimes we do pick up unidentified aircraft but they are usually operating away from the major air routes," Alex Au, the acting air traffic general manager of the CAD, said. "If they come close then we warn the airline pilots in the area."

Au claimed military aircraft from China had never infringed the territory's airspace. He said all aircraft transmit an electronic code known as a "squawk", which shows up as a small cross on a radar screen. "Some aircraft transit through Hong Kong airspace without letting us know who they are," he said.

CAD officials are still investigating an incident on August 21 when unidentified aircraft, believed to be United States navy jets from the aircraft carrier Kitty Hawk, disturbed passenger jets around Kai Tak. Au said two airline pilots were expected to make reports. US navy air traffic controllers from the Kitty Hawk visited the CAD's offices to try to improve air traffic coordination during future visits.

Macao

Unflattering Li Peng Sketch Threatens Governor's Visit

HK3108055894 Hong Kong EASTERN EXPRESS in English 31 Aug 94 p 1

[By Harald Bruning in Macao]

[Text] Reporters covering the visit to China by the Governor of Macao General Vasco Rocha Vieira, yesterday received press kits mistakenly containing background information intended for internal government use that is highly critical of the Premier, Li Peng.

"Li Peng was known for his arrogance and arbitrariness long before," according to the two-page English-language biographical sketch which was inadvertently included in the press kit by the Macao government. "It was by his insistence, defying all protests from the Hong Kong population, that a nuclear power station was built at the Gulf of Daya (sic) in the immediate neighbourhood of Hong Kong."

The sketch said that Li is believed to be "a member of the conservative faction of Chen Yun who looks on the (opening) and reform policy of Deng Xiaoping with (reservations)." The briefing says that Li Peng was "bitterly attacked for his role in the June 4 massacre in Tiananmen Square by the Chinese people and Chinese communities abroad".

"It was said that Deng, taking into account Li's incompetence and bad reputation, planned to make him step

down (in 1990)," it says. That plan was abandoned, according to the briefing paper, because of the apprehension among the party old guard caused by the political changes in the Soviet Union.

There was an immediate outcry from Macao's powerful pro-China community leaders when news of the errant briefing paper was made public in a television news broadcast. "This is unbelievable. The person responsible should be fired immediately," one left-wing journalist in Macao said.

[Hong Kong HONGKONG STANDARD in English on 31 August publishes on page one a similar report on the briefing paper by Joao Severino in Macao. The STANDARD report adds the following: "Macao sources said local XINHUA officials were fuming and that scheduled meetings between the governor and Mr Li, as well as with President Jiang Zemin, might be cancelled."]

Science, Technology Commission Delegation Visits

OW2908152094 Beijing XINHUA in English 1454 GMT 29 Aug 94

[Text] Macao, August 29 (XINHUA)—A five-member delegation of China's State Science and Technology Commission (SSTC) has arrived in Macao to solicit opinions about a draft plan on scientific and technological development in Macao.

The overall plan was drafted by concerned departments of SSTC at the invitation of the Macao Foundation last year. The plan puts forward suggestions and conceptions on the scientific and technological development in Macao during the period of 1994-1999.

The visiting delegation first held discussions with the Macao foundation on the plan this morning, and in the following three days, they will meet and exchange opinions on the plan with other local organizations from various circles.

The plan suggests that Macao should explore new industries, such as new and developing medicine industry and food projects, like health food industry, which are said to be the most promising industries in the 21st century.

The plan also puts forward opinions on transformation of Macao's established industries, which include production of value-added products through technological innovation of old industrial firms and development of new products, as well as use of new technologies to improve production efficiency with more investment.

Moreover, the plan also talks about the training of personnel, especially technical personnel, for future industrial development in Macao.

The plan predicts that there will be six pillar industries formed in Macao in the 21st century, namely tourism, technique-incentive and value-added export-oriented

processing industry, bio-technical industry, information, finance and real estate industries.

At the invitation of the Macao Foundation, the delegation of the State Science and Technology Commission arrived in Macao Sunday [28 August] and will leave on Thursday.

Health Department Releases Latest HIV Statistics

OW3008141894 Beijing XINHUA in English 1052
GMT 30 Aug 94

[Text] Macao, August 30 (XINHUA)—A total of 81 HIV carriers have been detected in Macao since 1986,

according to the latest statistics released by the Public Health Department of the Macao Government.

By now, seven of the HIV carriers have died since the first HIV patient was found in Macao in 1986.

Macao is a famous tourism city which attracts hundreds of visitors each year, but the Macao Government has never carried out health tests on visitors before they enter into Macao.

Now, the Macao Government stipulates that foreign laborers in Macao should receive regular health tests to prevent the spread of AIDS.

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